



Interruption Underwriting Agencies

Interruption Insurance Policy Wording

1 May 2017

Table of Contents

Important Information.....	2
Definitions.....	4
The Cover.....	6
Additional Benefits.....	7
Exclusions.....	8
Conditions.....	10

Important Information

This Policy is a legal contract between You and Us. The Policy consists of this Policy Wording document and the Policy Schedule and any other document We tell you forms part of the Policy which may vary or modify these documents.

The Policy Wording sets out the detailed terms, conditions and exclusions relating to the insurance.

The Policy Schedule sets out the specific terms applicable to Your cover and should be read together with the Policy Wording. Any endorsements or variations to this Policy Wording document that We have agreed to and confirmed in writing will be stated on the Policy Schedule.

Please keep the Policy in a safe place for future reference.

General Insurance Code of Practice

We 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.

For further information about the Code, please visit www.codeofpractice.com.au

About Interruption Underwriting Agencies

Miramar Underwriting Agency Pty Ltd trading as Interruption Underwriting Agencies (ABN 97 111 534 797, AFSL 314176) ('IUA') arranges policies for and on behalf of the Insurer. IUA acts under a binding authority given to it by Us, to administer and issue policies, alterations and renewals. In all aspects of arranging each policy, IUA acts as an agent for the Insurer and not for You.

You can contact IUA by:

Phone: 1800 223 623

Fax: 1800 223 621

Email: underwriting@iua.com.au

Your Duty of Disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

Privacy Statement

In this Privacy Statement the use of 'We', 'Us' and 'Our' means the Insurer and IUA unless specified otherwise.

We are committed to protecting Your privacy.

We need to collect, use and disclose Your personal information (which may include sensitive information) in order to consider Your application for insurance and to provide the cover You have chosen, administer the insurance and assess any claim. You can choose not to provide Us with some of the details or all of Your personal information, but this may affect Our ability to provide the cover, administer the insurance or assess a claim.

The primary purpose for Our collection and use of Your personal information is to enable Us to provide insurance services to You.

Personal information will be obtained from individuals directly where possible and practicable to do so. Sometimes it may be collected indirectly (e.g. from Your insurance intermediary or co-insureds). If You provide personal information for another person You represent to Us that:

- You have the authority from them to do so and it is as if they provided it to Us;
- You have made them aware that You will or may provide their personal information to Us, the types of third parties We may provide it to, the relevant purposes We and the third parties We disclose it to will use it for, and how they can access it. If it is sensitive information We rely on You to have obtained their consent on these matters. If You have not done or will not do either of these things, You must tell Us before You provide the relevant information.

We may disclose the personal information We collect to third parties who assist Us in providing the above services, such as related entities, distributors, agents, insurers, reinsurers and service providers. Some of these third parties may be located outside of Australia. In all instances where personal information may be disclosed to third parties who may be located overseas, We will take reasonable measures to ensure that the overseas recipient holds and uses Your personal information in accordance with the consent provided by You and in accordance with Our obligations under the *Privacy Act 1988* (Cth).

In dealing with Us, You consent to Us using and disclosing Your personal information as set out in this statement. This consent remains valid unless You alter or revoke it by giving written notice to IUA's Privacy Officer. However, should You choose to withdraw Your consent, We may not be able to provide insurance services to You.

IUA's Privacy Policy which is available at www.iaa.com.au or by calling IUA, sets out how:

- IUA protects Your personal information;
- You may access Your personal information;
- You may correct Your personal information held by Us;
- You may complain about a breach of the *Privacy Act 1988* (Cth) or Australian Privacy Principles and how IUA will deal with such a complaint.

If You would like additional information about privacy or would like to obtain a copy of the Privacy Policy, please contact IUA's Privacy Officer by:

Postal Address: PO Box A2016, Sydney South NSW 1235

Phone: 02 9307 6656

Fax: 02 9307 6699

Dispute Resolution Process

Any enquiry or complaint relating to this insurance should be referred to IUA in the first instance. Please contact IUA by:

Postal Address: PO Box A2016, Sydney South NSW 1235

Phone: 02 9307 6653

Fax: 02 9307 6699

If IUA require additional information, IUA will contact You to discuss. If Your complaint is not immediately resolved IUA will respond within fifteen (15) business days of receipt of Your complaint or agree a reasonable appropriate timeframe to respond.

If this does not resolve the matter or You are not satisfied with the way a complaint has been dealt with, You should contact Lloyd's Australia Limited:

Postal Address: Level 9, 1 O'Connell Street, Sydney NSW 2000

Phone: 02 8298 0783

Fax: 02 8298 0788

Email: ldraustralia@lloyds.com

who will respond to Your complaint within fifteen (15) business days, unless an alternative timetable has been agreed with You.

If We are unable to resolve Your complaint within forty-five (45) business days of the date We first received Your complaint or if You remain unsatisfied, You can seek a review by Financial Ombudsman Service Australia ('FOS Australia') depending on eligibility related to Your Policy. FOS Australia is a free independent external disputes resolution service provided to customers to review and resolve complaints where We have been unable to satisfy Your concerns. You can contact FOS Australia by:

Postal Address: Financial Ombudsman Service Australia, GPO Box 3, Melbourne VIC 3001

Phone: 1800 367 287 (or 1800 FOS AUS)

Email: info@fos.org.au

Website: www.fos.org.au

If Your complaint is not eligible for FOS Australia, it may be eligible for referral to the Financial Ombudsman Service Ltd (UK). Further details will be provided at the appropriate stage of the complaints process.

Definitions

The words listed below have been given a specific meaning in this Policy and these specific meanings apply when the words begin with a capital letter.

Wherever the following words or terms are used in the Policy, they will start with a capital letter and will mean what is set out below:

Word or term	Meaning
Accounts Receivable	the actual loss sustained by the Insured in respect of all outstanding debit balances if the Insured is unable to effect collection thereof as a direct result of Damage to records of accounts receivable, excluding any prior bad or uncollectable debts.
Act of Terrorism	any act of terrorism which includes any act, or preparation in respect of action, or threat of action designed to influence the Government of the day or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public 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) of the day or de facto, and which: (a) involves violence against one (1) or more persons; or (b) involves damage to property; or (c) endangers life other than that of the person committing the action; or (d) creates a risk to health or safety of the public or a section of the public; or (e) is designed to interfere with or to disrupt an electronic system.
Additional Increased Cost of Working	the additional expenditure (not otherwise recoverable hereunder) necessarily and reasonably incurred during the Indemnity Period in consequence of the damage for the purpose of avoiding or diminishing the reduction in Turnover and/or resuming and/or maintaining normal business operations and/or services.
After Loss Costs	any or all of the following: Accounts Receivable; Additional Increased Cost of Working; Claims Preparation Costs; Expediting Expenses; Increased Cost of Working; Relocation Expenses; Rewriting of Records; Severance Pay and Wages and Salaries.
Average Weekly Turnover	the actual Turnover for the twelve (12) months preceding the commencement date of the interruption divided by fifty-two (52) weeks or if a new business then the weekly average of the period of the Business operation.
Business	the Business specified in the Policy Schedule.
Claims Preparation Costs	reasonable professional fees as may be payable by the Insured, and such other reasonable expenses necessarily incurred by the Insured and not otherwise recoverable, for the preparation of claims under the Insured's material damage and this Policy.
Damage, Damaged	physical loss, destruction or damage.

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 programmes, software and other coded instructions for such equipment.
Event	all Damage resulting from an event occurring during each period of seven consecutive days shall be considered as one (1) event whether continuous or sporadic in its sweep and/or scope and whether the Damage was due to the same seismological or meteorological conditions. Each event shall be deemed to have commenced on the first happening of any such Damage, not within the period of any previous event.
Expediting Expenses	the additional expenditure incurred by the Insured for express carriage rates and extra payments for overtime, night, Sunday or holiday working incurred in connection with the repair or reinstatement of the Damaged property.
Flood	the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: (a) a lake (whether or not it has been altered or modified); (b) a river (whether or not it has been altered or modified); (c) a creek (whether or not it has been altered or modified); (d) another natural watercourse (whether or not it has been altered or modified); (e) a reservoir; (f) a canal; (g) a dam.
Increased Cost of Working	the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage.
Indemnity Period	the period beginning with the occurrence of the Damage and ending not later than the number of weeks specified in the Policy Schedule thereafter, during which the results of the Business shall be affected in consequence of the Damage.
Insured Gross Profit	the amount of gross profit that is insured by this Policy.
Insurer/We/Us/Our	certain underwriters at Lloyd's ('Underwriters'), the insurer/issuer of this Policy. Note: You can obtain further details of the Underwriters from IUA upon request.
Insured/You/Your	the person(s) or company(ies) named in the Policy Schedule.
Machinery	any apparatus whether or not functioning independently or as any component part of a collection of apparatus which generates, contains, controls, transmits, receives, transforms or utilises any form or source of energy or power.
Period of Insurance	the period of time stated in the Policy Schedule for which the Policy is in force.
Premises	any physical situation consisting of a building and/or significant structure surrounded by a boundary fence or the like.
Rate of Insured Gross Profit Percentage	the percentage shown in the Policy Schedule.
Relocation Expenses	the additional expenditure incurred for the relocating of the Business, excluding any purchases.
Rewriting of Records	the costs of recreating physical records directly related to the Business but excluding all materials.
Severance Pay	the amount that the Insured is obligated or has agreed to pay under industrial awards, determinations, decisions or agreements for severance pay and/or in lieu of notice to employees whose services are terminated during the Indemnity Period in consequence of the Damage.

Turnover	the amount paid or payable to the Insured for goods sold and for services rendered in the course of the Business at the Premises.
Wages and Salaries	the payments to staff retained in employment whose wages and salaries are not included in the calculation of the Weekly Sum Insured.
Week	the number of normal working days of the Business during each week.
Weekly Sum Insured	the sum insured for each week shown in the Policy Schedule.

The Cover

Subject to the terms, conditions, limits and exclusions of the Policy and payment of the premium, the Insurer agrees to indemnify the Insured as set out below.

The Indemnity

In the event of any property or any part thereof used by the Insured at the Premises for the purpose of the Business being Damaged during the Period of Insurance by any cause or event not hereinafter excluded and the Business carried on by the Insured being in consequence thereof interrupted or interfered with, the Insurer will, subject to the provisions of this Policy including the limitation on the Insurer's liability, pay to the Insured the amount of loss resulting from such interruption or interference in accordance with the applicable Basis of Settlement.

Provided always that:

- (a) the Insurer will not be liable for any loss under this Policy unless the Damaged property or any part thereof used by the Insured at the Premises for the purpose of the Business is insured against such Damage under a separate insurance policy (loss arising out of destruction or damage by explosion of boilers and/or economisers excepted) and reinstatement or repair of the Damage is carried out with reasonable dispatch; and
- (b) no claim is payable unless the Insured makes all necessary and reasonable efforts to return the Business to its trading or operational position; and
- (c) the total liability of the Insurer any one (1) Event will not exceed the appropriate limit or sub limit(s) of liability as stated in the Policy or Policy Schedule.

Basis of Settlement

Item 1 - Insured Gross Profit

The Insurer will pay an amount not exceeding the Weekly Sum Insured shown in the Policy Schedule for each Week in respect of loss of Turnover suffered by the Insured during the Indemnity Period. The amount payable shall be the Rate of Insured Gross Profit Percentage of the loss of Average Weekly Turnover adjusted for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been achieved during the relative period after the Damage.

The Insurer may also make payment for Increased Cost of Working subject to all amounts expended are done so in order to achieve savings to the amount payable under Insured Gross Profit.

If during the Indemnity Period goods shall be sold or services rendered at the Premises or elsewhere for the benefit of the Business the amount paid or payable in respect of such goods or services will be brought into account in arriving at the actual Turnover during the Indemnity Period and determine the amount payable by the Insurer in respect of each Week.

Item 2 - After Loss Costs

The Insurer will pay an amount not exceeding the total amount for After Loss Costs shown in the Policy Schedule incurred during the Indemnity Period. The amount payable shall be the amount(s) incurred by the Insured and approved by the Insurer or their claim adjuster. Provided always that no claim is payable unless the costs are necessarily and reasonably incurred for the purpose of assisting and returning the Business to its trading or operational position.

Additional benefits

The Insurer will pay an amount for the Additional Benefits not exceeding the sub-limit of liability specified in this Policy or shown in the Policy Schedule during the Indemnity Period. The amount payable shall be calculated along the same lines as Item 1 - Insured Gross Profit.

Claims Settlement

Payment shall be made on a weekly basis whenever practicable. However, such amounts may be adjusted as necessary to take into account the actual Turnover for each and every week during the Indemnity Period.

Departmental Clause

If the Business is conducted in departments or business units the independent trading results of which are ascertainable shall apply separately to each department or business unit affected by the Damage.

Multiple Premises

If the Business is conducted at multiple premises for which one (1) Weekly Sum Insured is specified in the Policy Schedule, any claim payment shall be determined by apportioning the Average Weekly Turnover amount of the premises affected by the Damage.

Additional Benefits

Public Utilities Extension

Loss resulting from interruption of or interference with the Business in consequence of Damage not excluded by this Policy to any land based property anywhere in Australia of any utility company producing, transmitting, supplying or delivering electricity, gas, water, sewerage or communication products or services used by the Business shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises. The liability of the Insurer under this additional benefit, in respect of any one (1) loss or series of losses arising out of any one (1) Event or occurrence, shall be limited to the amount stated in the sub-limit of liability noted in the Policy Schedule against Public Utilities Extension.

Suppliers' and/or Customers' Premises

Loss resulting from interruption of or interference with the Business in consequence of Damage to:

- (a) property at the premises, anywhere in Australia of any producer or merchant; or
- (b) any other property at any premises in Australia not owned or operated by the Insured, but which wholly or partly prevents delivery of materials, goods or services to the Insured and/or to the Insured's producer or merchant; or
- (c) property at the premises, anywhere in Australia of any service provider, including computer bureaux, their installations, ancillary equipment and data processing media utilised by Insured. Subject always to the exclusion 3. Electronic Data;

shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.

The liability of the Insurer under this additional benefit, in respect of any one (1) loss or series of losses arising out of any one (1) Event or occurrence, shall be limited to the amount stated in the sub-limit of liability noted in the Policy Schedule against Suppliers' and/or Customers' Premises.

For the purposes of this additional benefit, the term "premises of a producer" refers to premises, other than those described in the Public Utilities Extension of the Policy, at which any of the goods (including any constituents of such goods) or services used directly by the Insured are produced, assembled or stored. The term "premises of a merchant" refers to premises to which the Insured directly provides goods or services.

Infectious or Contagious Diseases; Vermin, Pests or Defective Sanitary Arrangements; Murder, Suicide

Loss as insured by the Policy resulting from interruption of or interference with the Business directly or indirectly arising from:

- (a) closure or evacuation of the whole or part of the Premises by order of a competent public authority directly arising from notifiable infectious or contagious disease manifested by any person whilst at the Premises; or
- (b) closure or evacuation of the whole or part of the Premises by order of a competent public authority consequent upon vermin or pests or defects in the drains or other sanitary arrangements at the Premises; or
- (c) murder or suicide occurring in or at the Premises; or
- (d) closure or evacuation of the whole or part of the Premises by order of a competent public authority consequent upon poisoning directly caused by the consumption of food or drink provided on the Premises;

shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises. However, paragraph (a) will not indemnify loss resulting from interruption of or interference with the Business directly or indirectly arising from or in connection with Highly Pathogenic Avian Influenza in Humans or any other diseases declared to be a quarantinable disease under the *Biosecurity Act 2015* (Cth) and subsequent amendments.

Premises in the Vicinity (Prevention of Access)

Loss as insured by the Policy resulting from interruption of or interference with the Business in consequence of Damage to property in the vicinity of the Premises caused by a peril, Damage as a result of which is insured hereunder, which shall prevent or hinder the use thereof or access thereto, whether the Premises or property of the Insured therein shall be damaged or not, shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.

Loss as insured by this Policy resulting from interruption of or interference with the Business in consequence of damage to property in the vicinity of and forming part of or contained in the complex of which the Premises forms part caused by a peril, damage as a result of which is insured hereunder, which results in a cessation or diminution of trade due to temporary falling away of potential custom whether the Premises or property of the Insured therein shall be damaged or not shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.

Extended Indemnity Period

When shown in the Policy Schedule, the Indemnity Period under this Policy is extended to the number of weeks shown as the Extended Indemnity Period, subject to savings being made during the Indemnity Period and the amount payable not exceeding the maximum limit of liability shown in the Policy Schedule.

Property away from the Premises

Loss as insured by the Policy resulting from interruption of or interference with the Business in consequence of Damage to property belonging to or used by the Insured or for which the Insured is responsible at any other premises within Australia shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.

Property in Transit

Loss as insured by the Policy resulting from interruption of or interference with the Business in consequence of Damage to property belonging to or used by the Insured or for which the Insured is responsible whilst in transit within Australia shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises. The liability of the Insurer under this additional benefit, in respect of any one (1) loss or series of losses arising out of any one (1) Event or occurrence, shall be limited to ten percent (10%) of the maximum limit of liability or \$50,000 whichever is the lesser.

Registered Vehicles, Plant and Equipment at the Premises

Loss resulting from interruption of or interference with the Business occasioned by Damage to registered vehicles, mobile plant and equipment and/or trailers whilst such items are at the Premises used by the Insured; provided always that this Policy does not cover loss resulting from Damage to such items whilst they are on any public highway or thoroughfare.

Exclusions

These Exclusions apply to all sections of this Policy.

1. The Insurer will not be liable in respect of interruption of or interference to the Business arising from Damage to the following:
 - (a) any locomotive or rolling stock or watercraft or aircraft;
 - (b) vehicles, mobile plant and equipment, or trailers whilst on a public highway or thoroughfare;
 - (c) livestock, animals, birds or fish;
 - (d) standing timber, growing crops and pastures;
 - (e) land, provided that this exclusion shall not apply to structural improvements on or in the land if such structural improvements are not otherwise excluded in this Policy;
 - (f) bridges, canals, roadways and tunnels, railway tracks (other than on the Premises occupied or used by the Insured), dams and reservoirs (other than tanks) and their contents;
 - (g) docks, wharves and piers not forming part of any building;
 - (h) mining property located beneath the surface of the ground;

- (i) property during the course of, and as a result of, its processing;
 - (j) empty premises undergoing demolition;
 - (k) oil and gas drilling and/or production rigs whilst offshore;
 - (l) all Machinery, electronic data processing equipment or electronic control equipment occasioned by or happening through any mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure, derangement, breakdown or non-operation of whatsoever kind. Provided that this exclusion shall not apply to any subsequent loss, destruction of or damage to such Machinery, electronic data processing equipment or electronic control equipment occasioned by or happening through any cause or Event not otherwise excluded herein which results from any of the events referred to in this exclusion.
2. The Insurer shall not be liable in respect of interruption of or interference to the Business arising from Damage directly or indirectly caused by:
- (a) malicious damage by tenants of the Insured where the Insured is the landlord, unless caused by fire, explosion or water;
 - (b) the Insured's failure to keep proper business books or financial records;
 - (c)
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (d)
 - (i) Flood;
 - (ii) water from or action by the sea, tidal wave or high water.

Provided that this exclusion shall not apply if Damage is caused by or arises out of an earthquake or seismological disturbance.
 - (e)
 - (i) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
 - (ii) an Act of Terrorism; or
 - (iii) any action taken in controlling, preventing, suppressing or in any way relating to (i) or (ii) above is also excluded from this Policy;
 - (f) mould, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
 - (g) the actual or threatened malicious use to pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

3. Electronic Data

- (a) This Policy does not insure:
 - (i) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
 - (ii) error in creating, amending, entering, deleting or using Electronic Data; or
 - (iii) total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all;

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

However, this exclusion does not apply in the event that a peril listed below (being a peril insured by this Policy but for this exclusion) causes any of the matters described in paragraph (a) above.

Fire, Explosion, Lightning, Windstorm, Hail, Tornado, Cyclone, Hurricane, Earthquake, Volcano, Tsunami, Flood, Freezing, Weight of Snow, Impact by Aircraft or other aerial objects dropped therefrom, Impact by any Road

Vehicle or Animal, Bursting, Overflowing, Discharging or Leaking of Water Tanks Apparatus or Pipes, or Theft of Electronic Data solely where such Theft is accompanied by Theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data.

- (b) For the purposes of the Basis of Settlement provision in this Policy, computer systems records includes Electronic Data.

Any terrorism exclusion in this Policy prevails over any terms contained in exclusion 3. Electronic Data.

4. No Insurer shall be deemed to provide cover and no Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Conditions

There are conditions set out in this section and throughout this Policy. If any of these conditions are not met, We may refuse to pay a claim, reduce the amount We pay for a claim or in some circumstances We may cancel Your Policy. When making a claim, You must have met and then continue to comply with the conditions of this Policy. Any person covered by this Policy, or claiming under it, must also comply with these conditions.

Alteration

The Insurer shall not be liable for any loss caused or contributed to by any alteration after the commencement of this Policy:

- (a) by removal of such property from the Premises;
- (b) in the trade or processes of manufacture carried on at the Premises or whereby the nature of the occupation or other circumstances affecting the Premises and/or the Insured's property therein contained shall be changed in such a way as to increase the risk of loss, destruction or damage;
- (c) whereby any Premises containing any property insured hereunder shall become unoccupied, and so remain for a period of more than thirty (30) days; or
- (d) whereby the Insured's interest ceases except by will or the operation of law.

Provided that any such alteration, upon coming to the knowledge of the Insured's officer responsible for insurance, shall be immediately notified to the Insurer and, if agreed to by the Insurer in writing, an appropriate additional premium paid if required.

Amount of Policy not reduced by loss

The insurance under each item of this Policy and the Indemnity Period shall be automatically reinstated in the event of any loss in consideration of the payment by the Insured of a pro rata additional premium calculated on the amount of the loss settlement at the rate(s) agreed for the Period of Insurance.

Cancellation

- (a) This Policy may be cancelled at any time at the request of the Insured, in which case the Insurer will retain the customary short-period rate for the time this Policy has been in force.
- (b) The Insurer may also cancel this Policy by giving the Insured written notice to that effect where:
 - (i) the Insured or any person who was at any time the Insured failed to comply with the duty of utmost good faith;
 - (ii) the person who was the Insured at the time when this Policy was entered into failed to comply with the duty of disclosure;
 - (iii) the person who was the Insured at the time when this Policy was entered into made a misrepresentation to the Insurer during the negotiations for this Policy but before it was entered into;
 - (iv) the Insured or any person who was at any time the Insured failed to comply with a provision of this Policy, including a provision with respect to the payment of the premium;

- (v) the Insured has made a fraudulent claim under this Policy or any other Policy of insurance (whether with the Insurer or some other insurer) that provided insurance cover during any part of the period during which this Policy provides insurance cover;
- (vi) the Insured failed to notify the Insurer of any specific act or omission where such notification is required under the terms of this Policy and after the Policy was entered into, such an act or omission has occurred; or
- (vii) the effect of the contract is to authorize the Insurer to refuse to pay a claim, either in whole or in part, by reason of an act or omission of the Insured or of some other person and after the Policy was entered into, such an act or omission has occurred.

On cancellation by the Insurer, the Insurer will refund an amount equal to one twelfth (1/12) of the annual premium for each complete month between the date of cancellation and the end of the Period of Insurance.

Notices

Any notice We give You will be in writing, and it will be effective:

- (a) if it is delivered to You personally; or
- (b) it is delivered to You at Your address (including an electronic address) last known to Us.

It is important for You to tell Us of any change of address as soon as possible.

Notification of Claims

On the happening of any Damage, the Insured shall forthwith give notice thereof in writing to the Insurer and shall (within thirty (30) days after such Damage or such further time as the Insurer may in writing allow), at the Insured's own expense, deliver to the Insurer a claim, in writing containing as particular an account as may be reasonably practicable of the several articles or portions of property lost, destroyed or damaged and of the amount of Damage thereto, having regard to their value at the time of the loss, destruction or damage, together with details of any other insurances on any property hereby insured.

The Insured shall use due diligence and do and concur in doing all things reasonably practicable to minimise any interruption of or interference with the Business to avoid or diminish the loss and shall also deliver to the Insurer a statement in writing of any claim certified by the Insured's auditor, with all particulars and details reasonably practicable of the loss and shall produce and furnish all books of accounts and other business books, invoices, vouchers and all other documents, proofs, information, explanations and other evidence and facilities as may reasonably be required for investigation and verification of the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the Insured has complied with the terms of this condition.

Precautions to Prevent Loss

The Insured shall:

- (a) exercise reasonable care, and take all reasonable measures to maintain all property at the Premises in a satisfactory state of repair;
- (b) take all reasonable precautions to prevent loss or damage;
- (c) comply with all statutory requirements and safety regulations imposed by any authority.

Subrogation Waiver

The Insurer agrees to waive any rights and remedies or relief to which it/they may become entitled by subrogation against:

- (a) any corporation or organisation (including their directors, officers, employees or servants) owned or controlled by any Insured named herein or subsidiary to any Insured named herein or any co-owner of the property insured hereunder;
- (b) any Insured named or described by the Policy (including its directors, officers, employees or servants).

Termination of Cover under this Policy

If during any period in respect of which the Policy is in force:

- (a) the Insured ceases to carry on a Business or any part of the Business is disposed of, permanently discontinued or the Insured's interest in the Business or such part thereof ceases otherwise than by death; or
- (b) the Insured (being a corporation) is placed in liquidation (or provisional liquidation), is placed under Official Management, enters into a Scheme of Arrangement, has Receivers and/or Managers appointed over its assets or undertaking(s); or
- (c) the Insured (being a natural person) becomes a bankrupt or enters into a scheme of arrangement or compromise or composition with creditors;

then the insurance cover provided under this Policy in respect of such Business or Insured shall automatically and forthwith cease.

In the event of the Indemnity Period having begun to run in respect of any claim relating to such Business or part thereof, the Indemnity Period shall thereupon be at an end.

For the avoidance of doubt, the Insured is required to carry on the Business following any Damage, otherwise all benefits hereunder will automatically and forthwith cease.

How Goods and Services Tax ('GST') 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;
- (b) registered for GST, We will pay the sum insured/limit of indemnity or the other limits of insurance exclusive of GST 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 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.

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.

Australian Terrorism Insurance Act 2003 Notice

The Underwriters have treated this insurance (or part of it) as an insurance to which the Australian *Terrorism Insurance Act 2003* (Cth) ('ATIA') applies.

ATIA and the supporting regulations made under the ATIA deem cover into certain policies and provide that the Terrorism exclusion to which this insurance is subject shall not apply to any "eligible terrorism loss" as defined in ATIA.

Any coverage established by ATIA is only in respect of any "eligible terrorism loss" resulting from a "terrorist act" which is a "declared terrorist incident" as defined in ATIA. The Terrorism exclusion to which this insurance is subject applies in full force and effect to any other loss and any act or event that is not a "declared terrorist incident".

All other terms, conditions, insured coverage and exclusions of this insurance including applicable limits and deductibles remain unchanged.

If any or all of the Underwriters have reinsured this insurance with the Australian Reinsurance Pool Corporation, then any such Underwriters will not be liable for any amounts for which they are not responsible under the terms of ATIA due to the application of a "reduction percentage" as defined in ATIA which results in a cap on the Underwriter's liability for payment for "eligible terrorism losses".

Fraudulent Claims Clause

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on the Insured's behalf to obtain any benefit under this Policy, or if any loss hereunder be occasioned by the wilful act or with the connivance of the Insured, the Insurer, without prejudice to any other right(s) they might have under this Policy, shall be entitled to refuse to pay such claim.

Service of Suit

The Underwriters accepting this insurance agree that:

- (a) if a dispute arises under this Policy, this Policy will be subject to Australian law and practice and the Insured and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- (b) any summons, notice or process to be served upon the Underwriters may be served upon:
*Lloyd's Underwriters' General Representative in Australia,
Level 9, 1 O'Connell Street, Sydney NSW 2000*
who has authority to accept service and to appear on the Underwriters' behalf;
- (c) if a suit is instituted against any of the Underwriters, all Underwriters participating in this Policy will abide by the final decision of such Court or any competent Appellate Court.

In the event of a claim arising under this Policy, IMMEDIATE NOTICE should be given to IUA.

Several Liability Notice

The subscribing Insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurers are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.