

OPENERH4	<p>PREAMBLE TO ALL ENDORSEMENTS</p> <p>Notwithstanding anything contained herein to the contrary, it is hereby agreed that the following Endorsements are made to the Policy.</p>
SECONEH4	<p>SECTION 1 – MATERIAL LOSS OR DAMAGE SUB-HEADING</p> <p>(For use whenever you need to endorse Section 1 - Material Loss or Damage.)</p>
INDEM1H4	<p>THE INDEMNITY</p> <p>(For use whenever you need to endorse Section 1, The Indemnity.)</p>
ENQUIXB4	<p>LIABILITY TO MAKE ENQUIRES</p> <p>This policy extends to include costs and expenses incurred by the Insured in respect of any legal liability to make enquiries consequent upon physical loss, destruction or damage insured by this policy, but not exceeding the sub-limit stated in the schedule.</p>
PAYQCXS4	<p>STATUTORY INQUIRIES</p> <p>Paragraph (a) of The Indemnity shall extend to include costs and expenses incurred by the Insured in connection with statutory inquiries following Damage to Property Insured. The term 'Statutory Inquiries' shall mean any judicial, coronial or other form of inquiry or hearing established by or at the direction of any government, semi-government, local or planning authority as a direct result of Damage to Property Insured.</p> <p>For the purpose of the application of Provision (iii) of the Reinstatement or Replacement Memorandum or the Co-insurance Memorandum, the Insured's declared values at any Situation shall not include any allowance for the costs and expenses referred to in this extension.</p>
NODAMS4	<p>DAMAGE DIMINUTION AND ACCIDENTAL DISCHARGE COSTS</p> <p>The indemnity under paragraph (c) shall apply whether or not Damage occurs to Property Insured in circumstances giving rise to indemnity under Section 1 of this Policy.</p>
UNPAKXB4	<p>UNPACKING EXPENSES</p> <p>This policy extends to include costs and expenses incurred by the Insured in taking inventory (including unpacking, repacking and restocking) to identify, quantify and value any property physically lost, destroyed or damaged by any peril insured against by this Section including examination of property not belonging to, but in the care, custody or control, of the Insured.</p>
XPLORXS4	<p>EXPLORATORY COSTS</p> <p>Paragraph (c) of The Indemnity extends to include exploratory costs necessarily and reasonably incurred by the Insured to prevent imminent damage or diminish damage to Property Insured by any peril insured against by this Policy.</p>
HANDYVS4	<p>DEMOLITION AND REMOVAL OF OWNED PROPERTY</p> <p>The words "<i>which is no longer useful for the purpose it was intended</i>" are deleted from Clause (f)(iii) of The Indemnity in Section 1.</p>
DPIUWE4 (continued on following page)	<p>REPLACEMENT WITH DISSIMILAR PROPERTY</p> <p>The Reinstatement and Replacement Memorandum is deleted.</p> <p>The following additional memorandum shall apply to Section 1:</p> <p>REINSTATEMENT OR REPLACEMENT</p> <p>(Applicable to buildings, machinery, plant and all other property and contents, other than those specified in items b. to l. under Basis of Settlement.)</p> <p>The basis upon which the amount payable is to be calculated shall be the cost of Reinstatement of the Damaged Property Insured at the time of its Reinstatement, subject to the following Provisions and subject also to the terms, Conditions and Limits or Sub-Limits of Liability of this Policy.</p>

DPIUWE4  
(cont.)

For the purpose of the insurance under this Memorandum, "reinstatement" shall mean:

- a. Where property is lost or destroyed, in the case of a building, the rebuilding thereof; or in the case of property other than a building, the replacement thereof by similar property: in either case, in a condition equal to, but not better or more extensive than, its condition when new.
- b. Where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as, but not better or more extensive than, its condition when new.

Provisions

- i. The work of rebuilding, replacing, repairing or restoring as the case may be - which may be carried out upon any other site(s) and in any manner suitable to the requirements of the Insured, but subject to the liability of the Company not being thereby increased - must be commenced and carried out with reasonable dispatch, failing which the Company shall not be liable to make any payment greater than the indemnity value of the damaged property at the time of the happening of the Damage.
- ii. When any Property Insured to which this Memorandum applies, is Damaged in part only, the liability of the Company shall not exceed the sum representing the cost which the Company could have been called upon to pay for Reinstatement if such property had been wholly destroyed.
- iii. No payment beyond the amount which would have been payable under this Policy if this Memorandum had not been incorporated herein, shall be made until a sum equal to the cost of reinstatement shall have been actually incurred; provided that where the Insured reinstates or replaces any lost or destroyed property at a cost which is less than the cost of reinstatement (as defined) but greater than the value of such property at the time of the happening of its loss or destruction, then the cost so incurred shall be deemed to be the cost of reinstatement.
- iv. If the Insured elects to reinstate or replace destroyed property with similar property whether or not to be used for a similar purpose as the destroyed property, the Company shall pay the cost of the dissimilar property, but not more than an amount equal to the replacement cost which would have been payable if the destroyed property had been reinstated or replaced with similar property in a condition equal to, but not better or more extensive than, its condition when new.
- v. Where any lost or destroyed property is replaced by property that is better or more extensive than its condition when new, the Company shall pay to the Insured the cost that would have been incurred if the lost or destroyed property had been reinstated in accordance with the provisions of clause a. of the definition of 'reinstatement'. The Insured shall bear the balance of the cost of such better or more extensive property.
- vi. The Insured shall not be bound to reinstate any destroyed building but may, at its option, purchase an existing building or buildings to replace the destroyed building, limited to the cost that would have been incurred if the destroyed building had been reinstated in accordance with clause a. of the definition of 'reinstatement'.

REFIXXS4

REINSTATEMENT OF UNDAMAGED PROPERTY

Paragraph (f) (iii) of The Indemnity is extended to include the cost of reinstating any property belonging to the Insured, which has been necessarily demolished and removed for the purpose of the reinstatement or replacement of Property Insured damaged by any peril insured against by this Policy.

AWARDXB4

AWARD LIABILITY FOR EMPLOYEES' CLOTHING AND/OR TOOLS

The policy extends to indemnify the Insured for legal liability under any Federal or State Award or Determination for loss or destruction of or damage to employees' clothing and/or tools. The indemnity afforded by this clause shall not be subject to any deductible referred to in the schedule of the Policy.

PPROPXB4

PERSONAL PROPERTY OF EMPLOYEES AND OTHERS

The wording of Clause (g) of the Indemnity is amended to read:

- (g) Damage to personal property, tools and effects (including Money) of directors and employees whilst on the Insured's premises or at worksites and damage to visitors' personal effects (including Money) whilst on the Insured's premises, but only to the extent that such property is not otherwise insured. No deductible shall apply under this clause.

CLUBAVS4	<p>PROPERTY OF EMPLOYEES AND CLUBS (A)</p> <p>Paragraph (g) of The Indemnity is amended to read:</p> <p>(g) Damage (limited to \$2,000 per person or club) to personal effects (excluding money) belonging to directors and employees of the Insured or the property of welfare, sports and social clubs of the Insured, whilst on the Premises. The indemnity under this paragraph (g) shall apply whether or not Damage occurs to Property Insured in circumstances giving rise to indemnity under Section 1 of this Policy.</p>
CLUBBXS4	<p>PROPERTY OF EMPLOYEES AND CLUBS (B)</p> <p>Paragraph (g) of The Indemnity is extended to include the following provision:</p> <p>Provided that the indemnity afforded by this Clause (g) shall not be subject to any deductible referred to in the Schedule of the Policy.</p>
LUGGAXB4	<p>ACCOMPANIED BAGGAGE IN AUSTRALIA</p> <p>The following Clause is added to The Indemnity under Section 1 - Material Loss or Damage:</p> <p>Damage occurring anywhere in the Commonwealth of Australia other than on the premises of the Insured or of directors or employees of the Insured, to personal property belonging to directors and employees of the Insured whilst they are engaged in the business of the Insured to the extent that such property is not otherwise insured. Provided that the indemnity afforded by this clause shall be limited to \$2,000 in respect of each person and shall not be subject to any deductible referred to in the schedule of the policy.</p>
EXPEDXB4	<p>EXPEDITING EXPENSES</p> <p>The policy extends to include costs and expenses 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 Property Insured directly or indirectly arising from an event insured by the policy.</p>
DECONXS4	<p>DECONTAMINATION</p> <p>The Indemnity clause is extended to include additional costs necessarily and reasonably incurred by the Insured during the Period of Insurance in:</p> <ol style="list-style-type: none"> <li>1. Cleaning and decontamination of property (other than stock in trade) used by the Insured for the purpose of the Business.</li> <li>2. Removal and disposal of contaminated stock in trade.</li> </ol> <p>The indemnity under this heading shall apply whether or not Damage occurs to Property Insured in circumstances giving rise to indemnity under Section 1 of this Policy, provided that this extension shall not cover normal maintenance costs.</p> <p>Perils Exclusion 4(a) does not apply to this extension.</p>
FBRIGXS4	<p>FIRE BRIGADE ATTENDANCE FEES</p> <p>The Indemnity under Section 1 - Material Loss or Damage is extended to include any statutory liability incurred by the Insured for fire brigade attendance fees, solely because any part of the Insured's claim for damage is within the amount of any deductible applicable under this Policy. No deductible shall apply under this extension.</p>
RWARDXS4	<p>REWARDS</p> <p>The Indemnity clause is extended to include the cost of any reward paid by the Insured to protect or recover Property Insured. Provided that:</p> <ol style="list-style-type: none"> <li>(a) No such payment shall be made by the Insured unless it contributes to the protection or recovery of such property.</li> <li>(b) The Insurer(s) shall have agreed the terms of the reward before it is offered.</li> </ol> <p>The Insurer(s) will not unreasonably withhold or refuse consent to the terms of any reward payable under this extension.</p>
DRAINXB4	<p>COSTS OF CLEARING DRAINS</p> <p>The following clause is added to The Indemnity under Section 1 - Material Loss or Damage.</p> <p>Costs of clearance of drains including expenses necessarily incurred in clearing and/or repairing drains, gutters, sewers and the like, at or in the vicinity of property hereby insured, consequent upon damage recoverable hereunder.</p>
PIPESXS4	<p>COST OF CLEARING BLOCKED DRAINS, PIPES, FILTERS AND PUMPS</p>

	<p>The Indemnity clause is extended to include additional costs necessarily and reasonably incurred by the Insured in the clearance of blocked pipes, drains, gutters, sewers, filters, pumping equipment and the like, during the Period of Insurance, including exploratory costs, at or in the vicinity of the Premises used by the Insured, whether or not there has been damage, provided that this extension shall not cover normal maintenance costs.</p> <p>For the purpose of the application of Provision (iii) of the Reinstatement or Replacement Memorandum or the Co-insurance Memorandum, the Insured's Declared Values at any Situation shall not include any allowance for the costs referred to in this extension.</p>
TAXEDXS4	<p><b>ADDITIONAL TAXATION INDEMNITY</b></p> <p>The Indemnity clause is extended to indemnify the Insured for liability to pay additional income tax or additional capital gains tax, pursuant to any Australian government taxation legislation, incurred solely consequent upon payment by the Insurer(s) of any amount claimable under Section 1 of this Policy.</p> <p>For the purpose of the application of Provision (iii) of the Reinstatement or Replacement Memorandum or the Co-insurance Memorandum, the Insured's Declared Values at any Situation shall not include any allowance for any liability referred to in this extension.</p>
ASBESXS4	<p><b>ASBESTOS REMEDIATION - BUILDINGS</b></p> <p>The Indemnity clause is extended to include the cost necessarily incurred by the Insured, whether or not there has been damage, in removal and disposal, enclosing and/or sealing of asbestos and/or materials containing asbestos which form part of the structure of any building being Property Insured and belonging to the Insured, provided that such cost is incurred in compliance with the requirements of any statute or regulation or of any municipal or statutory authority.</p> <p>The Insurer(s) shall not be liable for any such cost incurred in complying with any such requirement with which the Insured had been required to comply prior to the commencement of the Period of Insurance.</p> <p>The Insurer(s)' liability under this extension shall be limited to an amount equal to seventy five per cent (75%) of such cost or the Sub-Limit of Liability stated in the Schedule against "Asbestos Remediation - Buildings", whichever is the lesser.</p> <p>The term 'removal and disposal, enclosing and/or sealing' shall include any necessary demolition, dismantling, shoring up, propping or underpinning of the Property Insured and the carrying out of any other necessary temporary repairs, all of which are as a result of such removal and disposal, enclosing and/or sealing.</p>
LDUTYVB4	<p><b>LIABILITY FOR DUTY</b></p> <p>The policy extends to include the Insured's liability for customs, excise and other duties, which the Insured becomes liable to pay in the event of Damage to Property Insured.</p>
NOAVEXB4	<p><b>AMENDED PROVISIO</b></p> <p>The proviso to The Indemnity is amended to read:</p> <p>Provided that only Clause (a) above shall be subject to any Co-insurance clause or memorandum contained in this Policy.</p>
PRPRTYH4	<p><b>THE PROPERTY INSURED</b></p> <p>(For use whenever you need to endorse Section 1, The Property Insured)</p>
SALESXB4	<p><b>CUSTOMER'S GOODS</b></p> <p>The policy extends to insure goods belonging to the Insured's customers at the Premises, to the extent that such goods are not otherwise insured.</p>
PROPAXS4	<p><b>PROPERTY INSURED (A)</b></p> <p>The term "<i>or for which the Insured is responsible</i>" contained in the definition of The Property Insured shall not be deemed to include premises not owned or leased by the Insured, but temporarily occupied by the Insured without any contractual liability for insurance thereof.</p>
PROPBXS4	<p><b>PROPERTY INSURED (B)</b></p> <p>The first paragraph of the definition of The Property Insured is amended to read:</p> <p>All real and personal property of every kind and description (except as hereinafter excluded) belonging to the Insured or for which the Insured is responsible, or has assumed responsibility to insure prior to the occurrence of any Damage, including all such property in which the Insured may acquire an insurable interest or for Damage to which the Insured becomes responsible or assumes responsibility to insure, after the commencement of the Period of Insurance.</p>

HOTELXB4	<p>PROPERTY OF GUESTS AND LODGERS</p> <p>The policy extends to indemnify the Insured for legal liability in respect of claims by guests or lodgers for loss of or damage to their property whilst at the Insured's premises.</p>
PECUNVB4	<p>PECUNIARY OR ECONOMIC INTERESTS ACQUIRED</p> <p>The term "<i>insurable interest</i>" in the description of The Property Insured is amended to read "<i>pecuniary or economic interest</i>".</p>
NEGINXB4	<p>MONEY - EXTENDED DEFINITION</p> <p>The definition of Money extends to include travellers cheques, securities and negotiable instruments.</p>
TRCHQVS4	<p>TRAVELLERS CHEQUES</p> <p>The definition of Money is extended to include travellers cheques.</p>
BASIS1H4	<p>BASIS OF SETTLEMENT</p> <p>(For use whenever you need to endorse Section 1, Basis of Settlement.)</p>
LANDAXB4	<p>LANDSCAPING (A)</p> <p>The Property Insured and Basis of Settlement (a) of Section 1 are extended to include landscaping, which includes trees, shrubs, plants and lawns. Property Exclusions 7 and 8 shall not apply to the cover granted by this endorsement.</p> <p>It is agreed that the liability of the Insurer(s) shall not exceed the amount of the sub-limit stated in the schedule of the policy against Landscaping for any one loss or series of losses arising out of any one event or occurrence.</p>
LANDBXS4	<p>LANDSCAPING (B)</p> <p>Notwithstanding Property Exclusions 7 and 8, Basis of Settlement (a) is extended to include landscaping; which term shall mean lawns and garden plots, including rockwork, paving and ornamentation pertaining thereto, ornamental plants, shrubs and trees. The liability of the Insurer(s) for any one loss or series of losses arising out of the one event at any one Situation shall not exceed the Sub-Limit of Liability stated in the Schedule against Landscaping. Perils Exclusions 6(a) and 9 shall not apply to this extension, which is also exempt from Provision (iii) of the Reinstatement or Replacement Memorandum.</p>
NATTRXS4	<p>HERITAGE PROTECTION</p> <p>The following paragraph is inserted after paragraph (i) of the Basis of Settlement Clause:</p> <p>In the case of a building with architectural features and/or structural materials possessing an ornamental or historical character, or for which the original materials are not available, the first paragraph of Basis of Settlement (a) shall be deemed to be amended to read:</p> <p>The cost necessary to replace, repair, rebuild or restore the building to a reasonably equivalent appearance and capacity, using the original design and suitably equivalent materials.</p> <p>This Endorsement shall not be subject to any Co-insurance Clause or Co-insurance Memorandum contained in Section 1 of the Policy.</p>
NOTABXS4	<p>NOTABLE OLD BUILDINGS WITHOUT LEGAL PROTECTION</p> <p>The following paragraph is inserted after paragraph (i) of the Basis of Settlement Clause:</p> <p>In the case of a building with architectural features and/or structural materials possessing an ornamental or historical character or for which the original materials are not available, but which is not legally protected for preservation by national, state or local legislation or regulation, the first paragraph of Basis of Settlement (a) shall be deemed to be amended to read:</p> <p>If the building is damaged, the cost up to but not exceeding the cost of rebuilding thereof in a condition equal to but not better or more extensive than its condition when new, necessary to repair the damage and restore the damaged portion to a condition substantially the same as, but not better or more extensive than its condition when new. If the cost of repairing the damage and restoring the Damaged portion exceeds the said cost of rebuilding, the building may, at the Insured's option, be deemed to be destroyed. If the building is destroyed, the cost necessary to replace the building with one that is no more expensive but of equivalent or improved utility, using current design techniques and modern materials.</p> <p>This Endorsement shall not be subject to any Co-insurance Clause or Co-insurance Memorandum contained in Section 1 of the Policy.</p>
BOWLSXS4	<p>BOWLING GREENS</p>

	<p>Notwithstanding Property Exclusions 7, 8 and 13(b), Basis of Settlement (a) is extended to include the Insured's bowling green(s). The liability of the Insurer(s) for any one loss or series of losses arising out of the one event at any one Situation shall not exceed the Sub-Limit of Liability stated in the Schedule against Bowling Greens.</p> <p>Perils Exclusions 3(a) and 7(c) shall not apply to this extension, which is also exempt from Provision (iii) of the Reinstatement or Replacement Memorandum.</p>
LINKXS4	<p><b>GOLF GREENS AND TEES</b></p> <p>Notwithstanding Property Exclusions 7, 8 and 13(b), Basis of Settlement (a) is extended to include the Insured's golf greens and tees.</p> <p>The liability of the Insurer(s) for any one loss or series of losses arising out of any one event at any one Situation shall not exceed the Sub-Limit of Liability stated in the Schedule against Golf Greens and Tees. Perils Exclusions 3(a) and 7(c) shall not apply to this extension, which is also exempt from Provision (iii) of the Reinstatement or Replacement Memorandum.</p>
TREESXS4	<p><b>PLANTATIONS</b></p> <p>The following paragraph is added to the Basis of Settlement clauses:</p> <p>In the case of Property Insured being growing [<i>insert type of tree</i>] trees planted during the years from [<i>insert start date</i>] to [<i>insert end date</i>] inclusive, which are so Damaged as to be incapable of surviving, and of felled [<i>insert type of tree (same as above)</i>], trees, logs or billets awaiting despatch, all whilst within the tree farm areas described in the declaration of values annexed to the Schedule, the Basis of Settlement shall be the value calculated at the rates per hectare and/or the rates per cubic metre (whichever is applicable) in accordance with the formulae e) and table(s) appended to the declaration of values annexed to the Schedule. The value, if any, of the remains after Damage of any damaged trees, logs or billets shall not be taken into account in arriving at the amount of the loss and the property, interest and all rights in such trees, logs and billets shall remain with the Insured.</p>
INDCLXS4	<p><b>ELECTION TO CLAIM INDEMNITY VALUE</b></p> <p>Basis of Settlement (a) is extended to include the following extra provision:</p> <p>Provided further that if the Insured elects to claim the Indemnity Value of any Damaged property, the Insurer(s) shall be liable for no greater proportion of the loss of such property than the amount that the Insured's declaration, made at the time of commencement of the Period of Insurance of the value of such property, bears to eighty five per cent (85%) of the actual value of such property at the time of commencement of the Period of Insurance, but not exceeding the Limit of Liability expressed in the Schedule. Any amount recoverable under the Extra Cost of Reinstatement Memorandum shall not be taken into account in determining the Insurer's proportion of the loss of such property.</p>
INDEMXS4	<p><b>ELECTION TO INSURE FOR INDEMNITY VALUE</b></p> <p>Notwithstanding the provisions of Basis of Settlement (a), the Insured may elect to insure for the Indemnity Value of any property and, if so, shall declare the value of such Property Insured accordingly.</p> <p>The Insurer(s) will settle any claim for such Property Insured on that basis or may, at its/their option reinstate, replace or repair such Property Insured or any part thereof in accordance with its Indemnity Value. In any event, the Insurer(s) will pay costs incurred in accordance with the Extra Cost of Reinstatement Memorandum.</p> <p>If the Insured has elected to insure for the indemnity value of any property, which would otherwise be insured under Basis of Settlement (a), the provisions of the Co-insurance Memorandum shall apply to any claim for such property.</p>
LEASEXB4	<p><b>LEASED EQUIPMENTS (RESIDUAL VALUE) (A)</b></p> <p>The basis of settlement under Section 1 of the policy is extended to include the following clause, notwithstanding clause (a):</p> <p>On machinery, plant and equipment leased on a Residual Value basis, in the event of actual or constructive total loss, the amount for which the lessee is contractually liable to the lessor, but not exceeding the sum represented by rent payable under such lease(s) for the period commencing on the date of physical loss, destruction or damage and ending on the retirement date(s) of such lease(s), plus the current market value of the property immediately before its loss or damage or the Residual Value, whichever is the greater, less any salvage value. In the event of damage that does not amount to a constructive total loss, the cost of repair in accordance with the provisions of the Reinstatement or Replacement and Extra Cost of Reinstatement Memoranda as set out herein. For the purpose of this basis of settlement, the term 'Residual Value' shall mean the minimum amount which the lessee has guaranteed that the leased property will realise, being the same amount which the lessee has agreed</p>

	would be payable to acquire such property upon the retirement date of the lease.
LEASEXS4	<p>LEASED EQUIPMENT - RESIDUAL VALUE (B)</p> <p>The following paragraph is inserted after paragraph (i) of the Basis of Settlement Clause:</p> <p>On machinery, plant and equipment leased on a Residual Value basis, notwithstanding the first paragraph of Basis of Settlement ( a), in the event of actual or constructive total loss, if the Residual Value exceeds the cost of replacement of such property with similar property in a condition equal to, but not better or more extensive than, its condition when new, Provisions (i), (iii) and (iv) of the Reinstatement or Replacement Memorandum and the Provisions of the Extra Cost of Reinstatement Memorandum shall apply, and the basis of settlement shall be the amount for which the Insured, as lessee, is contractually liable to the lessor, but not exceeding the sum represented by rent payable under such lease(s) for the period commencing on the date of loss or destruction and ending on the retirement date(s) of such lease(s), plus the current market value of the property immediately before its loss or destruction or the Residual Value, whichever is the greater, less any salvage value.</p> <p>The term 'Residual Value' means the minimum amount which the Insured, as lessee, has guaranteed that the leased property will realise, being the same amount which the Insured, as lessee, has agreed would be payable to acquire such property upon the retirement date(s) of the lease(s).</p> <p>For the purposes of this Endorsement, there shall be deemed to be a constructive total loss of a damaged item of machinery, plant or equipment when the cost necessary to repair that item exceeds the cost necessary to replace it with similar property in a condition equal to, but not better or more extensive than, its condition when new.</p>
SECURXS4	<p>SECURITIES</p> <p>Basis of Settlement (e) is amended by deleting the word 'securities'. In the case of Securities (which shall mean certificates of stock, bonds, coupons and all other types of securities), the basis of valuation shall be:</p> <p>(a) if the Securities can, with the approval of the Insurer(s), be replaced, the cost of replacement paid or payable by the Insured; or</p> <p>(b) if the Securities cannot or are not to be replaced by the Insured, the greater of:</p> <p>(i) the price for which the Insured purchased them, and</p> <p>(ii) the closing market value on the last business day prior to the date of discovery by the Insured of the loss or destruction of the Securities, or if the time of discovery by the Insured is after the close of the market, their closing market value on the day of discovery by the Insured of the loss or destruction of the Securities,</p> <p>(c) in the case of a loss of subscription, conversion or redemption privileges through the loss of any Security, the value of such privileges immediately preceding the expiration thereof, such valuation being in the currency in which the loss was sustained. Losses sustained in currencies other than Australian dollars, shall be settled by converting the amount of loss to Australian dollars at the market rate at the time of settlement of the loss or such other rates as may be expressly agreed with the Insurer(s). If there is no market price or value on the relevant day stated herein, then the value shall be agreed between the Insured and the Insurer(s) or, in default thereof, the Insured and the Insurer(s) shall submit to arbitration and be bound by the decision of the Umpire.</p>
SWAREXS4	<p>COMPUTER SOFTWARE</p> <p>Basis of Settlement (e) is extended to apply to computer software.</p>
GLASSXS4	<p>GLASS</p> <p>Basis of Settlement (g) is amended to read:</p> <p>(g) On glass; the cost of repairing or replacing the broken glass in accordance with Australian Standard AS 1288-1989, including the cost of temporary shuttering and hiring of security services pending replacement of broken glass, the cost of replacing signwriting, ornamentation, burglar alarm tapes or protective films on the glass, the removal and refixing of window or showcase frames and fittings, and heat reflecting material or process on the glass.</p>
DESIGVB4	<p>DESIGNATION</p> <p>The following sentence is added to the first paragraph of Basis of Settlement (a):</p> <p>For the purpose of ascertaining the classification under which any property is insured, the Insurer(s) agree to accept the designation applied to such property by the Insured.</p>
VALPEVS4	<p>VALUATION OF PROPERTY - EMPLOYEES AND CLUBS</p>

	<p>Basis of Settlement (h) is amended to read:</p> <p>(h) On personal effects (excluding money) belonging to directors and employees and on the property of welfare, sports and social clubs; the necessary cost of replacement or repair at the time and place of replacement or, if not replaced with reasonable despatch, the replacement cost at the time and place of the damage subject to due allowance for wear and tear, depreciation and betterment. In no case shall the Insurer's liability exceed \$2,000 in respect of any one person or club.</p>
VALPRXB4	<p>VALUATION OF PROPERTY - EMPLOYEES AND OTHERS</p> <p>Clause (h) of the Basis of Settlement under Section 1 is amended to read:</p> <p>(h) On personal property, tools and effects of the Insured's directors, employees and of visitors to the Insured's premises; the replacement cost at the time and place of replacement.</p>
WRECKXS4	<p>EMPTY PREMISES UNDERGOING DEMOLITION</p> <p>Basis of Settlement (i) is extended to include empty premises upon which demolition work has commenced, and Property Exclusion 14(b) is deleted.</p>
UNDELXB4	<p>GOODS SOLD BUT NOT DELIVERED</p> <p>The Basis of Settlement under Section 1 of the Policy is extended to include the following clause:</p> <p>On goods sold but not delivered for which the Insured is responsible and with regard to which, under the conditions of sale, the sale contract is by reason of the Damage, cancelled either wholly or to the extent of the Damage; the contract price.</p>
CURIOXB4	<p>ART WORKS AND CURIOS</p> <p>The Basis of Settlement under Section 1 of the policy is extended to include the following clause, notwithstanding clause (a):</p> <p>On art works and curios; the cost of restoring and repairing to a condition substantially the same as before the loss plus the reduction in market value caused by such loss, damage or destruction.</p> <p>When restoration or repair is not possible; the market value of the Property Insured immediately before the loss, destruction or damage.</p>
ANTIQXS4	<p>WORKS OF ART, ANTIQUES AND CURIOS</p> <p>The following paragraph is inserted after paragraph (i) of the Basis of Settlement clause:</p> <p>On works of art, antiques and curios, none of which form part of the stock in trade or merchandise of the Business; notwithstanding the first paragraph of Basis of Settlement (a), the cost of restoring and repairing to a condition substantially the same as before the Damage plus any reduction in market value caused by the Damage.</p> <p>If restoration or repair is not possible; the market value immediately before the Damage.</p>
PRSETXB4	<p>PAIRS AND SETS</p> <p>The basis of settlement under Section 1 of the policy is extended to include the following clause, notwithstanding clause (a):</p> <p>On personal property comprising a pair or set; the difference between the market or replacement value (whichever is greater) before the loss and the market or replacement value (whichever is greater) after the loss.</p>
MEMOS1H4	<p>MEMORANDA TO SECTION 1</p> <p>(For use whenever you need to endorse Memoranda to Section 1)</p>
BUYERXS4	<p>PURCHASERS</p> <p>The following additional clause is added to the Memorandum headed Interests of Other Parties:</p> <p>If at the time of Damage to any commercial building forming part of the Property Insured, the Insured has contracted to sell its interest in the building but the sale has not been completed, the purchaser shall be deemed to have been included as a named Insured in this Policy so far as it provides coverage for Damage to the building and such of the contents of the building as are being sold to the purchaser at the same time. This endorsement shall not apply if the purchaser shall have affected other insurance cover in respect of the building.</p>
OWNNERVB4	<p>PECUNIARY OR ECONOMIC INTERESTS OF OTHERS</p> <p>The term "<i>insurable interest</i>" in the Memorandum to Section 1 headed Interests of Other Parties, is amended to read "<i>pecuniary or economic interest</i>".</p>
BRANDXS4	<p>BRANDED GOODS</p>



	<p>The following provision is added to the Branded Goods Memorandum:</p> <p>Provided that if the Insured elects to have the salvage on any such goods destroyed under supervision, the salvage so destroyed shall be deemed to have no salvage value and to have been Damaged in circumstances covered by the Policy.</p>
LABELXB4	<p>LABELS, CONTAINERS AND WRAPPINGS</p> <p>In the event of Damage affecting labels, containers or wrappings, the Insurer(s) shall not be liable for more than an amount sufficient to pay the cost of new labels, containers or wrappings, and the cost of reconditioning the goods, but in no case shall the Insurer(s) be liable for more than the insured value of the damaged merchandise.</p>
NODECXB4	<p>DECLARED VALUES</p> <p>The Memorandum to Section 1 under this heading is extended to include the following sentence:</p> <p>Declared values shall not include any allowance for Extra Cost of Reinstatement nor any of the costs and expenses referred to under clauses (b) to (g) of The Indemnity.</p>
AVDELXB4	<p>CO-INSURANCE DELETED (REINSTATEMENT BASIS)</p> <p>The Memorandum entitled Co-insurance and Provision (iii) of the Memorandum entitled Reinstatement or Replacement are deleted from the policy.</p>
COINSXB4	<p>CO-INSURANCE AMENDED (REINSTATEMENT BASIS)</p> <p>Provision (iii) of the Reinstatement or Replacement memorandum is amended to read:</p> <p>In the event of damage to Property Insured hereunder caused by any peril hereby insured against, the Insurer(s) shall be liable for no greater proportion of such damage than the amount of the Insured's declaration of value of property on the day of the commencement of the Period of Insurance bears to the sum representing ninety (90) per cent of the cost which would have been incurred in reinstatement if the whole of the property insured hereunder on the day of commencement of the Period of Insurance had been damaged on that day, but not exceeding the limit of liability expressed in the Schedule; provided that if the sum actually incurred or expended in rebuilding or replacing the property damaged within the meaning of sub-paragraph (a) of the abovementioned definition of "reinstatement" exceeds the amount which would have been payable under the policy if this memorandum had not been incorporated therein, but if less than the cost of reinstatement as above defined, then the sum so actually incurred or expended shall for all purposes of this memorandum be deemed to be the cost of reinstatement of the property.</p> <p>Provided further that the above provision (iii) shall not apply if the amount of any damage does not exceed five (5) per cent of the amount of the Insured's declaration aforementioned.</p> <p>The memorandum headed Co-insurance is amended to read:</p> <p>In the event of damage to Property Insured hereunder caused by any peril hereby insured against, the Insurer(s) shall be liable for no greater proportion of such damage than the amount of the Insured's declaration of value of property on the day of the commencement of the Period of Insurance bears to the sum representing ninety (90) per cent of the cost which would have been incurred in reinstatement if the whole of the property insured hereunder on the day of commencement of the Period of Insurance had been damaged on that day, but not exceeding the limit of liability expressed in the schedule. Provided that this memorandum shall not apply if the amount of any damage does not exceed five (5) per cent of the amount of the Insured's declaration aforementioned.</p>
RRFLEXB4	<p>REINSTATEMENT OR REPLACEMENT PROVISION (VI)</p> <p>The following additional Provision (vi) is included:</p> <p>(vi) If the Insured elects to reinstate destroyed property with dissimilar property whether or not to be used for a similar purpose as the destroyed property, the Insurer(s) shall pay the lesser of:</p> <p>(a) the cost of the dissimilar property, or</p> <p>(b) an amount equal to the replacement cost which would have been payable if the destroyed property had been reinstated by similar property in a condition equal to but not better or more extensive than its condition when new.</p>
GOBUYVB4	<p>REINSTATEMENT OR REPLACEMENT PROVISION (VII)</p> <p>The following Provision (vii) shall be included in the Reinstatement or Replacement memorandum of the policy:</p> <p>(vii) Notwithstanding anything to the contrary contained in this memorandum, if the Insured elects to purchase an existing building or buildings instead of replacing a building or buildings destroyed, such replacement(s) shall be deemed to constitute 'reinstatement' under this memorandum, subject</p>

	<p>to the liability of the Insurer(s) not being thereby increased. If both the total replacement value and the total volume (measured over the roof and external walls) of the building(s) purchased are less than both the total replacement value and the total volume (measured over the roof and external walls) of the building(s) destroyed, then the total amount recoverable shall include, in respect of that proportion of the total building volume which is not replaced, an additional amount equal to but not exceeding the equivalent proportion of the amount which would have been payable under the policy if this memorandum had not been incorporated therein.</p>
CSHBOXB4	<p>REINSTATEMENT OR REPLACEMENT PROVISION (VIII)</p> <p>This memorandum extends to include the following additional provision:</p> <p>(viii) If any lost or destroyed Property Insured is replaced by smaller and/or cheaper property, then the Insurer(s) shall pay to the Insured, in addition to the cost of such smaller and/or cheaper property, the difference between the cost of reinstatement of the lost or destroyed property that would have been incurred if such property had been reinstated (in accordance with clause (a) of the definition of "reinstatement") and the cost of the said smaller and/or cheaper property. This Provision (viii) shall override the limitations of Provisions (vi) and (vii) and of the Output Replacement memorandum, to the extent that they may conflict.</p>
UMAKEXB4	<p>REINSTATEMENT OF DAMAGED BY THE INSURED</p> <p>If the Insured shall, after obtaining the consent of the Insurer(s), reinstate damaged property insured, the Insurer(s) shall pay the cost of such reinstatement including the value of labour and other overhead charges expended thereon together with a reasonable margin for profit. The liability of the Insurer(s) shall not exceed the amount which would otherwise have been payable hereunder had such reinstatement been carried out by outside contractors.</p>
RELOCS4	<p>REINSTATEMENT ELSEWHERE</p> <p>The bracketed words in Provision (i) of the Reinstatement or Replacement Memorandum are amended to read: (which may be carried out wholly or partially upon any other sites and in any manner suitable to the requirements of the Insured, but subject to the liability of the Insurer(s) not being thereby increased).</p>
THEFTXS4	<p>FIRST LOSS INSURANCE - THEFT AND MONEY</p> <p>Neither Provision (iii) of the Reinstatement or Replacement Memorandum nor the Co-insurance Memorandum shall apply to any claim for theft or Money to which a Sub-Limit or Sub-Limits of Liability apply as stated in the Schedule.</p>
AMENDXB4	<p>EXTRA COST OF REINSTATEMENT - PROVISION (V) AMENDED</p> <p>The wording of Provision (v) is deleted and the following wording is included in lieu thereof:</p> <p>(i) (v) If the cost of reinstatement of the damage directly caused by any of the perils insured against is less than fifty per cent (50%) of what would have been the cost of reinstatement of the property insured had such property been destroyed the amount recoverable in respect of Extra Cost of Reinstatement shall not exceed: <i>[\$insert amount here]</i> any one event/any one location.</p>
UNLIMXB4	<p>EXTRA COST OF REINSTATEMENT - PROVISION (V) DELETED</p> <p>Provision (v) of the Extra Cost of Reinstatement memorandum is deleted.</p>
XTMURXB4	<p>ADDITIONAL EXTRA COST OF REINSTATEMENT</p> <p>(Applicable to buildings, machinery, plant and all other property and contents other than those specified in Items (b) to (i) under Basis of Settlement).</p> <p>The policy extends to cover the additional extra cost of reinstatement including demolition or dismantling of the insured property damaged necessarily incurred by the Insured to comply with the requirements of any Act of Parliament or regulation made thereunder or any by-law or regulation of any municipal or other statutory Authority and not otherwise recoverable under the terms and conditions of the policy.</p> <p>Provided that the indemnity afforded by this clause:</p> <p>(ii) (a) shall be limited in respect of each loss or series of losses arising out of any one event to \$250,000, which amount shall be separate from and additional to the limit of liability expressed in the schedule of the policy in respect of buildings, machinery, plant and all other property and contents other than those specified in Items (b) to (i) under Basis of Settlement;</p> <p>(iii) (b) shall not include the additional cost incurred in complying with any such Act, regulation, by-law or requirement with which the Insured has been duly required to comply prior to the happening of the damage;</p> <p>(iv) (c) shall not be subject to the Co-insurance memorandum contained in Section 1 of the policy.</p>

	<p>The work of reinstatement (which may be carried out wholly or partially upon another site or sites if the aforesaid Act, by-law or regulation so necessitates subject to the liability of the Insurer(s) not being thereby increased) must be commenced and carried out with reasonable despatch, failing which the Insurer(s) shall not be liable to make any payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein.</p>
ECRELXS4	<p>EXTRA COST OF REINSTATEMENT ELSEWHERE</p> <p>Provision (i) of the Extra Cost of Reinstatement Memorandum is amended by deleting the words "if the requirements of the aforesaid Act, Regulation or By-Law so necessitate".</p>
FSRIAVS4	<p>FLOOR SPACE RATIO INDEX (PLOT RATIO) (A)</p> <p>The words "in the event of any building(s) being damaged so as to constitute total loss or constructive total loss" are amended in the Memorandum under this heading to read "if any building(s) being Property Insured is/are damaged and the cost of reinstatement is more than 50% of the cost of reinstatement if the building(s) had been totally destroyed".</p>
FSRIBXS4	<p>FLOOR SPACE RATIO INDEX (PLOT RATIO) (B)</p> <p>The words "<i>in the event of any building(s) being damaged so as to constitute total loss or constructive total loss</i>" are amended in the Floor Space Ratio Index (Plot Ratio) Memorandum to read "<i>if any building(s) being Property Insured is/are damaged</i>".</p>
FSRICXS4	<p>FLOOR SPACE RATIO INDEX (PLOT RATIO) (C)</p> <p>The word 'building(s)' is amended wherever it appears in the Floor Space Ratio Index (Plot Ratio) Memorandum to read "<i>building(s) or other structure(s)</i>".</p>
RRPAYXS4	<p>REINSTATEMENT VALUE CASH SETTLEMENT</p> <p>Notwithstanding Provision (iv) of the Reinstatement or Replacement Memorandum, in the event of any building being damaged so as to constitute total loss or constructive total loss, the Insured may elect to be paid the cost, necessary to rebuild or repair the building to a condition substantially the same as but not better or more extensive than its condition when new, which would have been incurred to rebuild or repair the building at the time and place of the damage (including demolition or dismantling) but without regard to any reduced floor space ratio index which may be applicable.</p> <p>Notwithstanding Provision (v) of the Extra Cost of Reinstatement Memorandum, the Insurer(s) will also pay the extra cost of reinstatement of the damaged building which would have been incurred at the time and place of the damage, necessary to comply with the requirements of any statute or regulation or of any municipal or statutory authority, but without regard to any reduced floor space ratio index which may be applicable.</p> <p>Any payment made under this Endorsement shall be made as soon as the total cost of reinstatement has been ascertained and certified by an architect acting on behalf of the Insured.</p> <p>The provision in Basis of Settlement (a), reading:</p> <p><i>"Provided that if the Insured elects to claim the indemnity value of any damaged property, the insurer(s) will pay to the insured the value of such property at the time of the happening of the damage or at its/their option reinstate, replace or repair such property or any part thereof" shall not apply to this Endorsement</i>".</p>
ACQCAXB4	<p>ACQUIRED COMPANIES (A)</p> <p>The Acquired Companies memorandum to Section 1 of the policy is amended to read as follows:</p> <p>The policy extends to include property in Australia (to the extent that such property is not otherwise insured) belonging to Companies and/or other entities purchased or otherwise acquired and/or over which the Insured acquires direct or indirect managerial control and/or responsibility to arrange insurance during the currency of this policy. The Insured shall declare details of such acquisition or responsibility within a reasonable period following the date of acquisition of control and/ or responsibility.</p>
ACQCBVS4 (continued on following page)	<p>ACQUIRED COMPANIES (B)</p> <p>The memorandum to Section 1 headed "Acquired Companies" is deleted and the following memorandum substituted for it:</p> <p>This Policy extends to include:</p> <p>(v) 1. property located in Australia belonging to companies and other organisations; a controlling interest in which is acquired by the Insured during the Period of Insurance,</p> <p>(vi) 2. property located in Australia for Damage to which such companies or other organisations are legally responsible or for which they have assumed responsibility to insure prior to the occurrence of</p>

	<p>any Damage, and</p> <p>(vii) 3. any loss suffered by any such companies or organisations which is the subject of indemnity under Section 2 of this Policy.</p>
ACQCBVS4 (cont.)	<p>The Insured must, within one (1) month of acquisition, declare in writing to the Insurer(s):</p> <p>(viii) (a) the name of the company or other organisation and the nature of its business,</p> <p>(ix) (b) the nature and extent of the property to be insured,</p> <p>(x) (c) the value of the indemnity provided, calculated in accordance with the relevant basis of settlement clauses,</p> <p>and must pay any additional premium required and comply with any reasonable directions of the Insurer(s) with respect to the security or safety of that property.</p> <p>The business of the acquired company or other organisation must be similar to the Business stated in the Schedule.</p> <p>For the purpose of this Memorandum, a controlling interest shall, in the case of a company, mean the acquisition of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders in the company.</p> <p>All such property shall be Property Insured for the purpose of the Adjustment of Premium Memorandum and the Insured shall make declarations with respect to it accordingly and with respect to the indemnity provided under Section 2.</p>
ACQCCXS4	<p>ACQUIRED COMPANIES (C)</p> <p>Notwithstanding the provisions of the Acquired Companies Memorandum, the term "controlling interest" where used therein shall also extend to include companies and other organisations over which the Insured acquires the capacity during the Period of Insurance to directly or indirectly dominate decision-making in relation to financial and operational policies.</p>
DIVERXS4	<p>DISSIMILAR ENTITIES ACQUIRED</p> <p>The Acquired Companies Memorandum is extended as follows:</p> <p>Notwithstanding the provision that the business of the new acquisition shall be similar to the Business as stated in the Schedule, the Insurer(s) agree(s), in respect of any dissimilar entity in Australia acquired by the Insured, that if the maximum value declarable under Sections 1 and 2 of this Policy in relation to that entity as at the date of its acquisition would not exceed five per cent (5%) of the total value of Property Insured, Gross Profit and Insured Pay-Roll, declared by the Insured as at the day of commencement of the Period of Insurance, then the business of that dissimilar acquired entity shall, for the purposes of this Memorandum, be deemed to be similar to the Business stated in the Schedule.</p>
NOCOVXB4	<p>EXCLUDED COMPANIES</p> <p>The insurance by this policy shall not apply to:</p> <p>(xi) 1. Subsidiary companies or related corporations incorporated or domiciled in the territories beyond Australia specified in the Schedule against "Excluded Companies";</p> <p>(xii) 2. Any subsidiary company or related corporation for which insurable values are neither included nor intended to be included in the Insured's declaration of values.</p>
DELAVXB4	<p>CO-INSURANCE MEMORANDUM - DELETED</p> <p>The memorandum entitled Co-insurance is deleted from the policy.</p>
AVALTXB4	<p>CO-INSURANCE MEMORANDUM - AMENDED</p> <p>The memorandum headed Co-insurance is amended to read:</p> <p>In the event of damage to property insured hereunder caused by any peril hereby insured against, the Insurer(s) shall be liable for no greater proportion of such damage than the amount of the Insured's declaration of value of property on the day of the commencement of the Period of Insurance bears to the sum representing ninety (90) per cent of the cost which would have been incurred in reinstatement if the whole of the property insured hereunder on the day of commencement of the Period of Insurance had been damaged on that day, but not exceeding the limit of liability expressed in the schedule. Provided that this memorandum shall not apply if the amount of any damage does not exceed five (5) per cent of the amount of the Insured's declaration aforementioned.</p>

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ONEAVXB4

ONE CO-INSURANCE CLAUSE

Provision (iii) of the Reinstatement or Replacement memorandum is deleted, together with the Co-insurance memorandum and the Declared Values memorandum.

The following additional memorandum shall apply to Section 1:

AVERAGE/UNDER-INSURANCE

The Insured is required to insure for full value calculated in accordance with the appropriate Basis of Settlement Clauses, as at the commencement of the Period of Insurance and, in relation to any Property Insured acquired after the commencement of the Period of Insurance, as at the time of acquisition of that property.

In the event of a claim, the moneys otherwise payable under Section 1 of this Policy shall be the proportion that the Insured's declaration at the time of the commencement of the Period of Insurance of the value of all Property Insured at the Situation to which the Damaged item or items belong bears to 85% of the value of all such property as at the time of the commencement of the Period of Insurance calculated in accordance with the appropriate Basis of Settlement Clauses.

This Memorandum shall not apply if the amount of the Damage does not exceed 5% of the amount of the Insured's declaration of value for that Situation.

For the purpose of the application of this Memorandum, the Insured's Declared Values at any Situation shall not include any allowance for Extra Cost of Reinstatement or for the costs and expenses referred to in the Additional Cover provided in Clauses (b) to (g).

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BETTAVB4

OUTPUT REPLACEMENT

Notwithstanding anything contained to the contrary in the Reinstatement or Replacement memorandum, it is hereby declared and agreed that of the interest described in Basis of Settlement (a) of this policy, any property which has a measurable output and which is capable of replacement with a new item or items which perform a similar function shall be valued for insurance purposes as follows and values for the settlement of any loss or damage in respect thereof shall be on the same basis:

- (xiii) (a) If property lost, destroyed or damaged is to be replaced by an item or items which have the same or a lesser total output, then the insurable value thereof is the new installed cost of such replacement item or items as would give the same total output as the property lost, destroyed or damaged.
- (xiv) (b) If property lost, destroyed or damaged is to be replaced by an item or items which have a greater total output and the new installed cost of such replacement property is no greater than the replacement value of the property lost, destroyed or damaged then no deductions shall be made from any claim for the improved output.
- (xv) (c) If the property lost, destroyed or damaged is to be replaced by an item or items which have a greater total output and the new installed cost of such replacement property is greater than the replacement value of the property lost, destroyed or damaged, then its insurable value is the greater of:
  - (xvi) (i) the cost of replacement with similar property in a condition equal to but not better or more extensive than its condition when new, or
  - (xvii) (ii) that proportion of the new installed cost which the output of the lost, destroyed or damaged property bears to the output of the replacement item or items.

The difference between the insurable value so calculated and the new installed cost of the replacement item or items shall be borne by the Insured.

No payment beyond the value of the destroyed property at the time of the happening of its damage shall be made hereunder until a sum equal to the value for settlement determined according to paragraphs (a), (b) and/or (c) hereof shall have been actually incurred.

Provided that in the event of partial loss or damage where property is to be repaired, the Insurer(s) shall pay the cost of restoration of the damaged property to a condition substantially the same but not better nor more extensive than its condition when new and provided further that the liability of the Insurer(s) shall not exceed the sum representing the cost which the Insurer(s) could have been called upon to pay if such property had been wholly destroyed.

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SEALDXB4

CONSTRUCTIVE TOTAL LOSS

For the purposes of this endorsement there shall be deemed to be a constructive total loss when the Property Insured specified herein or any part thereof is reasonably abandoned:

(xviii) (a) because its actual total loss seems unavoidable, or

(xix) (b) because it could not be preserved from actual total loss without an expenditure which would exceed its repaired and/or recovered value.

(xx) It is understood and agreed that the words "actual total loss" shall mean loss, destruction or damage (and not merely physical loss, destruction or damage) of or to the Property Insured specified herein or any part thereof.

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HOTUPXB4

CHANGES IN A TEMPERATURE CONTROLLED ENVIRONMENT

Notwithstanding the provisions of Perils Exclusion 6(c), or Property Exclusions 12 and 16, the policy extends to include loss, destruction of or damage to stocks caused by or arising from changes in a temperature controlled environment where such change arises out of mechanical, hydraulic, electrical or electronic breakdown of the temperature controlling equipment for a period of not less than twelve (12) hours.

The liability of the Insurer(s) shall be limited to the sub-limit stated in the schedule of the policy against "Changes in a Temperature Controlled Environment" for any one loss or series of losses arising out of any one event or occurrence at any one location.

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RELICXB4

BUILDINGS OF ARCHITECTURAL AND HISTORIC INTEREST

In consideration of the architectural features or structural materials of any building(s) insured under this policy possessing a particularly ornamental, antiquarian or historical character or in consideration of the architectural features now being outdated or the materials not being readily available or in consideration of the said building(s) now being too large for the needs of the Insured, it is agreed that in the event of that building being destroyed or so damaged that the amount of such damage exceeds the declared value of the said building(s), the basis upon which the amount payable under the policy is to be calculated shall be the cost of erecting a similar type of building of current design and modern materials but not necessarily as large as the damaged or destroyed building and it is further agreed that the declared value has been based accordingly. Subject to the following special provisions and subject also to the terms and conditions of the policy except insofar as the same may be varied hereby:

Special Provisions

(xxi) 1. In no case shall the Insurers' liability under this memorandum exceed the amount which would have been payable in erecting a new building in the same condition, size and style as the damaged or destroyed building when new.

(xxii) 2. The work of erecting a new building (which may be carried out upon another site or sites and in any manner suitable to the requirements of the Insured but subject to the liability of the Insurer(s) not being thereby increased) must be commenced and carried out with reasonable despatch, failing which the Insurer(s) shall not be liable to make any payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein.

(xxiii) 3. When any building insured under this memorandum sustains damage and where the amount of such damage is less than the declared value of that building, the rights and liabilities of the Insurer(s) and the Insured in respect of such damage shall be subject to the terms and conditions of the policy, as if this memorandum had not been incorporated therein.

(xxiv) 4. No payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein shall be made until a sum equal to the cost of erecting the new building (as defined in the first paragraph of this memorandum) shall have been actually incurred.

(xxv) 5. All other insurances covering the property effected by or on behalf of the Insured shall be on a similar reinstatement basis.

Provided that this memorandum shall not apply to any building registered for preservation under any National or State Act.

RUINSXB4	<p><b>ABANDONED UNDAMAGED PORTION OF A BUILDING</b></p> <p>If any building is Damaged and due to the exercise of statutory powers or delegated legislation or authority by any government department, local government or other statutory Authority, reinstatement of such building is carried out upon another site, then the abandoned undamaged portion of such building shall be deemed to have been destroyed; provided that if the presence of such abandoned undamaged portion of the building increases the sale value of the original site, the increase in sale value shall be regarded as salvage and the amount thereof shall be payable to the Insurer(s) by the Insured upon completion of any sale of the site or shall be deducted from the total amount otherwise payable by the Insurer(s) under this policy, whichever shall occur later.</p> <p>All differences relating to the amount of such increase in site value shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties to this policy. If the two valuers do not agree, their differences shall be referred to the decision of a third valuer, appointed by the President of the Australian Institute of Valuers as an expert, whose decision shall be binding.</p>
FDNOKVB4	<p><b>UNDAMAGED FOUNDATIONS (A)</b></p> <p>When Property Insured is damaged but its foundations are not destroyed and, due to the exercising of statutory powers or delegated legislation or authority by any government department, local government or other statutory Authority, reinstatement of the Property Insured is carried out upon another site or sites, then the abandoned foundations shall be deemed to have been destroyed. If the presence of the abandoned foundations increases the sale value of the original site, then such increase shall be regarded as salvage and shall be payable to the Insurer(s) by the Insured upon completion of the sale or shall be deducted from the total amount otherwise payable by the Insurer(s) under the policy, whichever shall occur later.</p> <p>All differences relating to the amount of such increase in site value shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties to this policy. If the two valuers fail to agree, their differences shall be referred to the decision of a third valuer, appointed by the President of the Australian Institute of Valuers as an expert, whose decision shall be binding.</p>
FOUNDXS4	<p><b>UNDAMAGED FOUNDATIONS (B)</b></p> <p>The term "foundations" shall be deemed to include services, such as but not limited to conduits, pipes, cables and wiring, which are built in to footings, foundations or concrete floor slabs.</p>
SLABAXB4	<p><b>FOUNDATIONS EXCLUSION MEMORANDUM (A)</b></p> <p>The insurance on buildings excludes that part of any building below the level of the under-surface of its lowest floor.</p>
SLABXB4	<p><b>FOUNDATIONS EXCLUSION MEMORANDUM (B)</b></p> <p>The insurance on buildings excludes that part of any building below the level of the upper surface of its lowest floor.</p>
OBSOLXB4	<p><b>UNDAMAGED ANCILLARY AND/OR PERIPHERAL EQUIPMENT</b></p> <p>If plant and/or machinery is destroyed but its ancillary and/or peripheral equipment is not destroyed but upon replacement of the destroyed plant and/or machinery the ancillary and/or peripheral equipment is rendered superfluous, then such equipment shall be deemed to be destroyed and its salvage value shall be payable to the Insurer(s) by the Insured upon completion of any sale or shall be deducted from the total amount otherwise payable by the Insurer(s) under the policy, whichever shall occur later.</p>
PACKSYS4	<p><b>DELAYED UNPACKING</b></p> <p>When consignments and/or packages of raw materials, supplies and/or merchandise are not opened for inspection on arrival at the Insured's store and/or premises, any concealed damage by any cause not excluded by this Policy, discovered when the consignments and/or packages are unpacked, shall be Damage recoverable under this Policy and the amount recoverable as indemnity shall be determined in accordance with Basis of Settlement Clause (b).</p> <p>Provided always that:</p> <p>(xxvi) (1) the damage shall be discovered not later than three months after receipt of the consignments/ packages by the Insured,</p> <p>(xxvii) (2) consignments and/or packages bearing visible signs of damage at the time of their arrival shall be inspected as soon as practicable; appropriate claim(s) shall be made against the carriers and the Insured shall forward copies of such claim(s) and any replies received from carriers to the Insurer(s) as soon as practicable.</p>
APPLYXS4	<p><b>APPLICATION OF DEDUCTIBLES</b></p> <p>Deductibles shall apply to the Limits and Sub-Limits of Liability in accordance with the Schedule but the</p>

	Limits and Sub-Limits of Liability shall only be applied in excess of the relevant deductible.
ORDERXS4	<p>PRECEDENCE OF DEDUCTIBLES</p> <p>Notwithstanding anything stated in the Schedule to the contrary, if more than one deductible applies under this Policy in respect of any one claim or series of claims arising out of any one event, such deductibles shall not be aggregated and the lowest single level of deductible only shall apply.</p>
QUAKEXS4	<p>EARTHQUAKE DEDUCTIBLE AMENDED</p> <p>The deductible stated in the Schedule in respect of each claim or series of claims arising out of any one occurrence of earthquake, subterranean fire or volcanic eruption shall not apply to Section 2 of the Policy.</p>
AGSIRXS4	<p>AGGREGATE DEDUCTIBLE</p> <p>The Aggregate Deductible is the total amount, in addition to any amounts borne under Provision (iii) of the Reinstatement or Replacement Memorandum and/or under the Co-insurance Memorandum, borne by the Insured as stated in the Schedule against "Aggregate Deductible", for any Damage to Property Insured during any one Period of Insurance. Losses below \$[Insert amount] each do not contribute towards the Aggregate Deductible. Once contributing losses have reached the Aggregate Deductible, a Franchise (as defined herein) of \$[Insert amount] shall apply to each claim or series of claims for Damage to Property Insured arising out of any one event.</p> <p>A Franchise is the amount stated in this Endorsement, in respect of each loss or series of losses arising out of any one event, below which such loss(es) shall be borne in full by the Insured. Each loss, or series of losses arising out of any one event, which exceed(s) the amount of the Franchise shall be payable in full by the Insurer(s).</p>
SECTWOH4	<p>SECTION 2 - CONSEQUENTIAL LOSS</p> <p>(For use whenever you need to endorse Section 2 – Consequential Loss)</p>
INDEM2H4	<p>THE INDEMNITY</p> <p>(For use whenever you need to endorse Section 2, The Indemnity.)</p>
THEREVS4	<p>PROPERTY AT OUTSIDE STORES AND OUTWORKERS' PREMISES</p> <p>The following sentence is inserted at the end of the first paragraph of "The Indemnity" in Section 2:</p> <p>Loss as insured by this Policy arising from an interruption of or interference with the Business in consequence of Damage to any property belonging to the Insured or for Damage to which the Insured is responsible, while such property is at any storage premises within Australia or at any situation within Australia where the Insured has any work or process carried out by others, shall be deemed to be loss arising from Damage to property used by the Insured at the Premises for the purpose of the Business.</p>
DELAYXB4	<p>DELAY IN AVAILABILITY/ COMPLETION</p> <p>The insurance under this endorsement shall apply to any building or other property or any part thereof in Australia:</p> <p>(xxviii) (a) acquired by the Insured, or</p> <p>(xxix) (b) undergoing construction, erection, alteration or addition for which the value of work completed at the time of Damage does not exceed 10% of the limit of liability for Section 1 of the policy or \$500,000, whichever is the lesser, which but for the Damage would have been available to be used by the Insured for the purpose of the Business.</p> <p>For the purpose of this endorsement only, the definition of Indemnity Period is amended to read:</p> <p>The period beginning with the date upon which, but for the Damage, the property would have been available to be used by the Insured and ending not later than the number of months thereafter stated in the schedule, during which the results of the Business shall be affected in consequence of the Damage.</p> <p>Under the heading "The Indemnity" in Section 2 of the policy, the words "used by the Insured" are amended to read "used or to be used by the Insured".</p> <p>In calculating the amount of any loss under this endorsement, the basis of settlement shall be the estimated results of the Business from the anticipated availability date until the end of the Indemnity Period.</p>
BOILAXB4	<p>PRESSURE VESSEL PERILS (A)</p> <p>The second paragraph of "The Indemnity" in Section 2 is deleted and the following paragraph is included in lieu thereof:</p> <p>Provided that the Insurer(s) will not be liable for any loss under this Section unless the Insured's</p>



	<p>property lost, destroyed or damaged is insured against such Damage (loss arising out of destruction or damage occasioned by or arising out of explosion, rupture, collapse, bursting, cracking or overheating of any boiler, economiser or other pressure vessel, including pipes, valves and other apparatus thereof excepted) and the insurer(s) by which such property is insured shall have paid for or admitted liability in respect of such Damage unless no payment shall have been made or liability admitted solely owing to the operation of a provision in such insurance excluding liability for loss below a specified amount.</p>
BOILBVS4	<p>PRESSURE VESSEL PERILS (B)</p> <p>The second paragraph of The Indemnity in Section 2 is amended to read:</p> <p>Provided that the Insurer(s) will not be liable for any loss under this Section unless the Insured's property lost, destroyed or damaged is insured against such Damage (loss arising out of destruction or damage by the explosion, implosion, rupture, collapse, bursting, cracking or overheating of any boiler, economiser or other pressure vessel, including pipes, valves and other apparatus forming part of any of these and in respect of any of which a certificate is required to be issued under the terms of any statute or regulation being excepted from this provision) and the insurer or insurers by which such property is insured shall have paid for or admitted liability in respect of such Damage unless no such payment shall have been made or liability shall not have been admitted therefor solely owing to the operation of a provision in such insurance excluding liability for loss below a specific amount.</p>
GTEESXS4	<p>SUPPLIERS' GUARANTEES AND MAINTENANCE CONTRACTS</p> <p>The final paragraph of The Indemnity in Section 2 is amended to read:</p> <p>Provided that the Insurer(s) will not be liable for any loss under this Section unless the Insured's property lost, destroyed or damaged is insured against such Damage or is the subject of indemnity under a supplier's guarantee or maintenance contract covering the circumstances in which the loss, destruction or damage occurred (loss arising out of destruction or damage by explosion of Boilers and/or Economisers excepted) and the insurer or insurers by which such property is insured shall have paid for or admitted liability in respect of such Damage unless no such payment shall have been made or liability shall not have been admitted therefor solely owing to the operation of a provision in such insurance excluding liability for loss below a specific amount.</p>
RMSIRXS4	<p>SELF-INSURANCE EXEMPTION</p> <p>The final paragraph of The Indemnity in Section 2 is amended to read:</p> <p>Provided that the Insurer(s) will not be liable for any loss under this Section unless a claim would have been made and liability admitted by the Insurer(s) if the property Damaged had been insured by Section 1 of this Policy (loss arising out of destruction or damage by explosion of Boilers and/or Economisers excepted).</p>
BASIS2H4	<p>EXTENT OF COVER</p> <p>(This is a sub-heading. For use whenever you need to endorse the Basis of Settlement in Section 2).</p>
GPFOAXB4	<p>GROSS PROFIT - CO-INSURANCE DELETED</p> <p>The Proviso to Item No. 1 below, is deleted.</p> <p><i>"Provided that if the Declared Value or Sum Insured (as applicable) by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or its proportionately increased multiple thereof, where the Indemnity Period exceeds 12 months), the amount payable shall be proportionately reduced".</i></p>
GPNOAVS4	<p>GROSS PROFIT - CO-INSURANCE THRESHOLD</p> <p>Item No.1 of the Basis of Settlement in Section 2 is extended to include the following final clause:</p> <p>The provisions of the preceding paragraph shall not apply if the amount of the claim does not exceed 5% of the Declared Value of Gross Profit under Section 2 of this Policy.</p>

GDAY1XS4	GROSS PROFIT - 85% 'DAY ONE' AVERAGE/UNDERINSURANCE
	<p>The final paragraph of Item No 1 is amended to read:</p> <p>Provided that if the estimated value of Gross Profit declared at the commencement of the Period of Insurance is less than eighty-five per cent (85%) of the sum produced by applying the Rate of Gross Profit to the Annual Turnover (appropriately increased if the Indemnity Period exceeds twelve months) which would have been achieved if the Damage had occurred on the day of commencement of the Period of Insurance, the amount payable hereunder shall be proportionately reduced.</p> <p>This provision shall not apply if the amount of the loss does not exceed five per cent (5%) of the estimated value of Gross Profit declared at the commencement of the Period of Insurance. For the purposes of this Endorsement, the terms "Rate of Gross Profit" and "Annual Turnover" shall bear the following meanings and not as otherwise defined in the Policy:</p> <p><b>Rate of Gross Profit</b> means the proportion that the Gross Profit bears to the Turnover during the financial year immediately before the day of commencement of the Period of Insurance.</p> <p><b>Annual Turnover</b> means the Turnover during the twelve months immediately before the day of commencement of the Period of Insurance.</p>
CPREPXB4	CLAIMS COSTS EXTENDED
	<p>The basis of settlement for Item no. 2 is amended to read:</p> <p>The insurance under this item is to cover such reasonable professional fees payable by the Insured to their financial advisers (including fees of accountants, loss adjusters and/or valuers appointed by the Insured) and such other reasonable expenses necessarily incurred by the Insured and not otherwise recoverable, for preparation of claims and (notwithstanding Condition 6) proving the loss under Sections 1 and 2 of the policy and the Insurer(s) shall indemnify the Insured for such reasonable fees and expenses.</p>
DPFOAXB4	DUAL PAY-ROLL - CO-INSURANCE DELETED
	<p>The Proviso to Item no. 3 (below) is deleted:</p> <p>Provided that if the Declared Value of Insured Payroll at the commencement of each Period of Insurance be less than the sum produced by applying the Payroll Limits to the sum produced by applying the Rate of Payroll to the Annual Turnover (or its proportionately increased multiple thereof, where the Indemnity Period exceeds 12 months), the amount payable shall be proportionately reduced.</p>
DPNOAVS4	DUAL PAY-ROLL - CO-INSURANCE THRESHOLD
	<p>Item No. 3 of the Basis of Settlement in Section 2 is extended to include the following final clause:</p> <p>The provisions of the preceding paragraph shall not apply if the amount of the claim does not exceed 5% of the Declared Value of Insured Pay-Roll under Section 2 of this Policy.</p>
PDAY1XS4	DUAL PAY-ROLL - 85% 'DAY ONE' AVERAGE/UNDER-INSURANCE
	<p>The final paragraph of Item No.3 is amended to read:</p> <p>Provided that if the estimated value of Insured Pay-Roll declared at the commencement of the Period of Insurance is less than eighty-five per cent (85%) of the amount produced by applying the Pay-Roll Limits set out in the Schedule to the amount produced by applying the Rate of Pay-Roll to the Annual Turnover (or its appropriately increased multiple if the Indemnity Period exceeds twelve months) which would have been achieved if the Damage had occurred on the day of commencement of the Period of Insurance, the amount payable hereunder shall be proportionately reduced.</p> <p>This provision shall not apply if the amount of the loss does not exceed five per cent (5%) of the estimated value of Insured Pay-Roll declared at the commencement of the Period of Insurance.</p> <p>For the purposes of this Endorsement, the terms "Rate of Pay-Roll" and "Annual Turnover" shall bear the following meanings and not as otherwise defined in the Policy:</p> <p><b>Rate of Pay-Roll</b> means the proportion, which the Pay-Roll bears to the Turnover during the financial year immediately before the day of commencement of the Period of Insurance.</p> <p><b>Annual Turnover</b> means the Turnover during the twelve months immediately before the day of commencement of the Period of Insurance.</p>

GPPD1XB4	<p><b>GROSS PROFIT AND DUAL PAY-ROLL - CO-INSURANCE AMENDED</b></p> <p>The final paragraph of Item no. 1 and the final paragraph of Item no. 3 in Section 2 of the policy are deleted and the following clause shall apply to both items:</p> <p>In the event of the Insured suffering interruption of or interference with the Business in consequence of Damage occurring during a Period of Insurance, the Insurer shall be liable for no greater proportion of the loss than the estimated values of Gross Profit and insured Pay-Roll declared at inception of that Period of Insurance bear to 85% of the sum produced by applying the Rate of Gross Profit and Rate of Pay-Roll to the Annual Turnover (or its proportionately increased multiple if the Indemnity Period exceeds twelve months) which would have been achieved if the Damage had occurred on the day of commencement of that Period of Insurance.</p> <p>This memorandum shall not apply if the amount of the loss does not exceed 5% of the sum of the estimated values of Gross Profit and insured Pay-Roll declared at inception of that Period of Insurance. For the purpose of this memorandum the terms "Rate of Gross Profit", "Rate of Pay-Roll" and "Annual Turnover" shall bear the following meanings and not as otherwise defined elsewhere in the Policy:</p> <p><b>Rate of Gross Profit:</b> the rate of Gross Profit earned on the Turnover during the financial year immediately before the day of commencement of each Period of Insurance. <b>Rate of Pay-Roll:</b> the rate of Pay-Roll to Turnover during the financial year immediately before the day of commencement of each Period of Insurance.</p> <p><b>Annual Turnover:</b> the Turnover during the 12 months immediately before the day of commencement of each Period of Insurance.</p>
SEVERXB4	<p><b>SEVERANCE PAY</b></p> <p>The insurance under this item is limited to such further additional expenditure beyond that recoverable under Clause (a) of Item no. 3 as 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.</p>
RENTPXB4	<p><b>RENT PAYABLE</b></p> <p>The insurance under this item is in respect of rent and other expenses payable and insurable by the Insured in accordance with the terms of any lease agreement and the amount payable as indemnity hereunder shall be such sum as the Insured shall be legally liable to pay and the lessor shall be legally entitled to receive during the Indemnity Period under the terms of the lease. The cover hereby granted shall be subject to the sub-limit stated in the Schedule against "Rent Payable".</p> <p>For the purpose of this item, Indemnity Period means: the period beginning with the date of the Damage and ending not later than <i>[insert the number of months required here]</i> months thereafter during which the results of the Business shall be affected in consequence of the Damage.</p>
RENTRXB4	<p><b>RENT RECEIVABLE</b></p> <p>The insurance under this item is limited to the loss of rent receivable (including amounts due for services rendered and recoverable expenses) and the amount payable as indemnity hereunder shall be the amount by which rent (including amounts for services rendered and recoverable expenses) received or receivable during the Indemnity Period shall fall short of the amount which it may be reasonably estimated would have been received during that period had the Damage not occurred including the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of rent (including amounts for services rendered and recoverable expenses), less any sum saved during that period in respect of the charges or expenses payable out of rent as may cease or be reduced in consequence of the Damage. The cover hereby granted shall be subject to the sub-limit stated in the Schedule against "Rent Receivable".</p>
FINESXB4	<p><b>CONTRACTUAL FINES AND PENALTIES</b></p> <p>The insurance under this item is limited to fines and/or damages for breach of contract and the amount payable as indemnity hereunder shall be such sum or sums as the Insured shall be legally liable to pay in discharge of fines and/or damages incurred in consequence of the Damage for non-completion or late completion of orders, inability to meet contract specifications or cancellation of orders. The cover hereby granted shall be subject to the sub-limit stated in the Schedule against "Contractual Fines and/or Penalties".</p>

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BDEBTXB4

ACCOUNTS RECEIVABLE

The insurance under this item is limited to the 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. The Insurers will also pay:

(xxx) (i) interest charges at ruling bank rates on any loan to offset impaired collections pending repayment of such amounts rendered uncollectible in consequence of the Damage;

(xxx) (ii) interest lost by the Insured in consequence of such impaired collections;

(xxxii) (iii) additional expenditure necessarily and reasonably incurred in tracing and establishing the amounts of accounts receivable;

(iv) collection expenses in excess of normal collection costs, incurred in consequence of the Damage.

Where there is proof that a loss covered by the policy has occurred, but the Insured cannot accurately establish the total amount of accounts receivable outstanding at the date of Damage, such amount shall be computed as follows:

- (a) Determine the total amount of accounts receivable outstanding on the last working day of the fiscal month which ended twelve months before the beginning of the month in which the Damage occurs;
- (b) Calculate the average increase or decrease in the monthly total amounts of accounts receivable outstanding on the last working day of each of the twelve months immediately preceding the month in which Damage occurs;
- (c) The amount determined under paragraph (a), increased or decreased by the percentage calculated in accordance with paragraph (b) shall be deemed to be the total amount of accounts receivable outstanding at the time and date of the Damage;
- (d) The amount determined under paragraph (c) shall be adjusted as may be necessary to provide for any demonstrable variance from the amount so determined occurring before but during the month in which the Damage occurs; due consideration also being given to normal monthly trends in receipts.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an equitable amount to provide for doubtful debts. The cover hereby granted shall be subject to the sub-limit stated in the Schedule against "Account Receivable".

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GRENTXB4

GROSS RENTAL SPECIFICATION

*(continued on following page)*

The following clauses are deleted from the policy:

- Item No. 1 (Gross Profit)
- Item No. 3 (Pay-Roll)

Definitions of:

- Gross Profit
- Turnover
- Pay-Roll
- Shortage in Turnover
- Rate of Gross Profit
- Annual Turnover
- Standard Turnover
- Rate of Pay-Roll

Memoranda entitled:

- Turnover elsewhere after the Damage
- Departmental Clause
- New Business
- Accumulated Stocks
- Turnover/Output Alternative
- Salvage Sale

and replaced by the following clauses:

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The Insurance under this Item is limited to loss of Gross Rentals due to (a) **Reduction in Gross Rentals** and (b) **Increase in Cost of Working** and the amount payable as indemnity thereunder shall be:

- (xxxiii) (a) **In respect of reduction in Gross Rentals:** The amount by which the Gross Rentals during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Rentals,
- (b) **In respect of increase in Cost of Working:** The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Rentals which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the loss of Gross Rentals thereby avoided, less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business as may cease or be reduced in consequence of the Damage. Provided that if the estimated value of Gross Rentals declared at the commencement of each Period of Insurance is less than the Annual Gross Rentals (or the appropriate multiple if the Indemnity Period exceeds twelve months), the amount payable hereunder shall be proportionately reduced.

Definitions

**Gross Rentals:** The money paid or payable to the Insured by tenants in respect of rental of the premises and for services rendered by or on behalf of the Insured.

**Standard Gross Rentals:** The Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

**Annual Gross Rentals:** The Gross Rentals earned during the twelve months immediately before the date of the damage

Such adjustments shall be made [to Standard Gross Rentals and Annual Gross Rentals] as may be necessary to provide 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 obtained during the relative period after the Damage.

**Gross Rentals elsewhere after Damage:** If during the Indemnity Period the Business shall be conducted elsewhere than at the Premises, the Gross Rentals derived from such other premises shall be brought into account in arriving at the Gross Rentals during the Indemnity Period.

**Departmental Clause:** If the Business be conducted in departments, the independent trading results of which are ascertainable, the provisions of clauses (a) and (b) of Item no. 1 shall apply separately to each department affected by the Damage.

**New Business:** In the event of Damage occurring at Premises before completion of the first year's trading of business, the terms "Standard Gross Rentals" and "Annual Gross Rentals" shall bear the following meanings and not as within stated:

**Standard Gross Rentals:** The proportional equivalent for a period equal to the Indemnity Period of the Gross Rentals realised during the period between the commencement of the Business and the date of the Damage.

**Annual Gross Rentals:** The proportional equivalent, for a period of twelve months of the Gross Rentals realised during the period between the commencement of the business and the date of the damage.

Such adjustments shall be made [to Standard Gross Rentals and/or Annual Gross Rentals] as may be necessary to provide 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 obtained during the relative period after the Damage.

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GREVNXB4  
(continued on  
following  
page)

GROSS REVENUE SPECIFICATION

The following clauses are deleted from the Policy:

- Item No. 1 (Gross Profit)
- Item No. 3 (Pay-Roll)

Definitions of:

- Gross Profit
- Turnover
- Pay-Roll
- Shortage in Turnover
- Rate of Gross Profit
- Annual Turnover
- Standard Turnover
- Rate of Pay-Roll
- Memoranda entitled:
- Turnover elsewhere after the Damage
- Departmental Clause
- New Business
- Accumulated Stocks
- Turnover/Output Alternative · Salvage Sale

and replaced by the following clauses:

Item No. 1

The Insurance under this Item is limited to loss of Gross Revenue due to (a) **Reduction in Gross Revenue** and (b) **Increase in Cost of Working** and the amount payable as indemnity thereunder shall be:

- (xxxiv) (a) **in respect of reduction in Gross Revenue:** The amount by which the Gross Revenue during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Revenue,
- (b) **in respect of increase in Cost of Working:** The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Revenue which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Revenue thereby avoided, less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business as may cease or be reduced in consequence of the Damage. Provided that if the estimated value of Gross Revenue declared at the commencement of each Period of Insurance is less than the Annual Gross Revenue (or the appropriate multiple if the Indemnity Period exceeds twelve months) the amount payable hereunder shall be proportionately reduced.

Definitions

**Gross Revenue:** The money paid or payable to the Insured for services rendered (and goods, if any, sold) in the course of the Business at the Premises.

**Standard Gross Revenue:** The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

**Annual Gross Revenue:** The Gross Revenue earned during the twelve months immediately before the date of the figures thus adjusted.

Such adjustments shall be made [to the Standard Gross Revenue and Annual Gross Revenue] as may be necessary to provide 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 obtained during the relative period after the Damage.

**Gross Revenue elsewhere after Damage:** If during the Indemnity Period services shall be rendered or goods shall be sold elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Gross Revenue during the Indemnity Period.

**Departmental Clause:** If the Business be conducted in departments; the independent trading results of which are ascertainable, the provisions of clauses (a) and (b) of Item no. 1 shall apply separately to each department affected by the Damage.

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GREVNXB4

**New Business:** In the event of Damage occurring at the Premises before completion of the first year's

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(cont.)

trading of business, the terms "Standard Gross Revenue" and "Annual Gross Revenue" shall bear the following meanings and not as within stated:

**Annual Gross Revenue:** the proportional equivalent, for a period of 12 months of the Gross Revenue realised during the period between the commencement of the Business and the date of the damage.

**Standard Gross Revenue:** the proportional equivalent, for a period equal to the Indemnity Period, of the Gross Revenue realised during the period between the commencement of the Business and the date of the damage.

Such adjustments shall be made [to the Annual Gross Revenue and the Standard Gross Revenue] as may be necessary to provide 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 obtained during the relative period after the Damage.

TVRADXS4

TELEVISION OR RADIO - CANCELLED PROGRAM EXPENSES

The Basis of Settlement clauses in Section 2 are extended to include the following additional Item:

The insurance under this Item is limited to loss of expenses in respect of cancelled programs and the amount payable as indemnity shall be the expenditure unavoidably incurred in connection with program events not televised or broadcast in consequence of the Damage (or due allowance of such total expenditure for programs partially televised or broadcast) less any salvage value of the recordings made or the work done. For the purposes of this Item the term "program expenses" means all direct costs (other than salaries and wages of permanent staff) of the Insured's productions for the Business.

The insurance hereby granted shall be subject to the Sub-Limit of Liability stated in the Schedule of the Policy against "Cancelled Program Expenses".

RESCHXS4

RESEARCH ESTABLISHMENT EXPENSES

(continued on following page)

The Basis of Settlement clauses in Section 2 are extended to include the following additional Item:

The insurance under this Item is limited to the loss sustained by the Insured in consequence of the Damage in respect of (a) Research Establishment Expenditure and (b) Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

(xxxv) (a) In respect of Research Establishment Expenditure: for each working week in the Indemnity Period during which the activities of the research establishment are, in consequence of the Damage

(xxxvi) (i) totally interrupted or totally given over to the reworking of projects affected by the Damage, the Insured Amount per Week;

(xxxvii) (ii) partially interrupted or partially given over to the reworking of projects affected by the Damage, an equitable proportion of the Insured Amount per Week based upon the time rendered ineffective by reason of the Damage;

(xxxviii) (b) In Respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred in consequence of the Damage to minimise the interruption to the activities of the research establishment. The amount payable under this heading shall not exceed the amount payable under (a) for loss of Research Establishment Expenditure if no such Increase in Cost of Working has been incurred, less any sum saved during the Indemnity Period in respect of such of the Research Establishment Expenditure as may cease or be reduced in consequence of the Damage.

Provided that cover under this Item shall be proportionately reduced if the estimated value of Research Establishment Expenditure declared at the commencement of the Period of Insurance is less than the Annual Research Expenditure (appropriately increased if the Indemnity Period exceeds twelve months). This provision shall not apply if the amount of the loss does not exceed 5% of the estimated value of Research Establishment Expenditure declared at the commencement of the Period of Insurance.

Definitions

**Research Establishment Expenditure** means the total expenditure on research by the Insured at the Premises less the relative cost of raw materials consumed.

**Insured Amount per Week** means one fiftieth part of the Research Establishment Expenditure incurred during the financial year immediately before the date of the Damage.

RESCHXS4

**Annual Research Expenditure** means the aggregate amount of the Research Establishment

(cont.)	<p>Expenditure incurred during the twelve months immediately before the date of the Damage.</p> <p>Adjustments shall be made to the Insured Amount per Week and Annual Research Expenditure as may be necessary to provide for the trend of the research establishment activities and for variations in or other circumstances affecting the research establishment activities either before or after the Damage 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 obtained during the relative period after the Damage.</p> <p><b>Premium Adjustment Clause:</b> In the event of the Research Establishment Expenditure during the accounting period of twelve months most nearly concurrent with the Period of Insurance being less than the estimated value of Research Establishment Expenditure declared at the commencement of the Period of Insurance, a pro rata return of premium not exceeding 50% of the premium paid on such declared value will be made in respect of the difference. If any Damage shall have occurred, giving rise to a claim under this Item, such return shall be made only in respect of so much of the said difference as is not due to such Damage.</p>
TDVRTXS4	<p><b>TRANSFERABLE SITE AREA OF A HERITAGE-LISTED BUILDING</b></p> <p>The Basis of Settlement clauses in Section 2 are extended to include the following provision:</p> <p>If the building identified in the Schedule under this heading is insured for its cost of reinstatement and, in circumstances which are not excluded from cover, is destroyed or so damaged that the Responsible Authority will no longer approve the use at another site of the Transferable Site Area allotted to such building prior to its destruction or damage, the Insurer(s) will pay to the Insured under Section 2 of this Policy the amount stated in the Schedule under this heading (being the amount agreed between the Insured and the Insurer(s) as the value of the Transferable Site Area) less any increase in the value of the land upon which such building was erected, which results from the destruction or damage.</p> <p>Any differences relating to the value of the land arising from this Endorsement shall be referred to the decision of two registered valuers; one to be appointed by each of the parties and in case the two registered valuers do not agree, of a third valuer, appointed by the president of the Australian Institute of Valuers as an expert, whose decision shall be binding.</p> <p>For the purpose of this Endorsement:</p> <p><b>Responsible Authority</b> means <i>[insert Responsible Authority here]</i></p> <p><b>Transferable Site Area</b> means a right to develop another site on a larger scale than would otherwise have been allowed, granted to the Insured by the Responsible Authority as compensation for a refusal by the Responsible Authority to permit the demolition or partial demolition of the building identified in the Schedule under this heading and the redevelopment of the site upon which such building is erected.</p>
<p>GWILLXS4 (continued on following page)</p>	<p><b>GOODWILL</b></p> <p>The Basis of Settlement clauses in Section 2 are extended to include the following provision:</p> <p>Subject to the Sub-Limit of Liability stated in the Schedule against Goodwill, in the event of Damage (other than in circumstances where cover is excluded) occurring during the Period of Insurance to any building or other property or any part thereof used by the Insured at the Premises for the purposes of the Business, which results in one of the following circumstances:</p> <p>(xxxix) (a) the rebuilding or reinstatement, whether total or partial, of the premises at the site being prohibited by, or not being commercially viable because of, any Act of Parliament or regulation made thereunder or any by-law or regulation of any municipal or statutory authority,</p> <p>(xl) (b) the lessor's neglect, refusal or inability to rebuild or reinstate the Premises or to renew the Insured's lease or monthly tenancy,</p> <p>(xli) (c) the refusal of any liquor licensing authority to grant an extension to carry on the Business at the Premises under the licence held by the Insured, the Insurer(s) will compensate the Insured under this Item for the cost expended by the Insured to purchase Goodwill and/or a liquor licence upon acquisition of a similar business, within a reasonable time after the Damage, less that part of any amount(s) recoverable under any other Item or Items of Section 2 of this Policy which represent(s) the actual loss sustained by the Insured resulting directly from the interruption of the Business for such additional time, beyond the period required with the exercise of due diligence and despatch to rebuild or reinstate the Damage, required to restore the Business to the condition that would have existed had no Damage occurred.</p>
<p>GWILLXS4 (cont.)</p>	<p><b>GOODWILL</b> means the future benefit from unidentifiable assets.</p> <p style="text-align: center;"><u>Special Conditions</u></p> <p>(xlii) 1. The Insurer(s) shall not be liable under this Item unless the Insured shall also have</p>



	<p>maintained in force an insurance on Gross Profit or Gross Revenue.</p> <p>(xliv) 2. The Insurer(s) shall not be liable under circumstance (c) unless the Insured has used due diligence to ensure the observance of all licensing laws.</p> <p>(xlv) 3. The insurance by this Endorsement shall not be prejudiced if any of the circumstances stated in Clauses (a), (b) or (c) of Condition 13 of this Policy arise due to the Damage.</p>
DEFINEH4	<p>DEFINITIONS</p> <p>(This is a sub-heading. For use whenever you need to amend, add or delete a Section 2 definition by endorsement).</p>
CCACCXB4	<p>CURRENT COST ACCOUNTING</p> <p>For the purpose of the following definitions, any adjustment implemented in current cost accounting shall be disregarded.</p>
BOOSTXB4	<p>GOVERNMENT INCENTIVES</p> <p>The definition of "Turnover" is extended to include financial incentives or concessions granted to the Insured by any Australian or State Government Department in recognition of specific performance in the development of market opportunities or employment of disadvantaged persons.</p>
OPCONXS4	<p>CONSOLIDATED PERIOD</p> <p>The term Consolidated Period means the sum of the number of weeks specified in the Schedule applicable to Clause (a)(i) of Item No.3 and the percentage specified in the Schedule of the remaining portion of the Indemnity Period applicable to Clause (a)(ii) of Item No.3.</p>
INSPRXS4	<p>INSURED PAY-ROLL</p> <p>The term Insured Pay-Roll means the declared value of estimated Pay-Roll in respect of the Consolidated Period referred to in Item No.3 and specified in the Schedule, declarable as at the day of commencement of the Period of Insurance.</p>
FBTSPVB4	<p>PAY-ROLL: AMENDED DEFINITION (A)</p> <p>The definition of Pay-Roll in Section 2 of the Policy is amended to read:</p> <p>The remuneration (including but not limited to pay-roll tax, fringe benefits tax, bonuses, holiday pay, sick pay, long service leave, workers' compensation insurance premiums and/or accident compensation levies, superannuation and pension fund contributions and the like) paid to all employees of the Insured.</p>
HOSALXS4	<p>PAY-ROLL: AMENDED DEFINITION (B)</p> <p>The definition of Pay-Roll in Section 2 of the Policy is amended to read:</p> <p>The remuneration paid to all employees of the Insured other than those whose remuneration is insured in Item No. 1 Gross Profit. The term Pay-Roll includes but is not limited to holiday pay, sick pay, long service leave pay, commission, bonus and overtime plus payments for pay-roll tax, fringe benefits tax, superannuation and pension fund contributions, workers compensation premiums, accident compensation levies and the like.</p>
ANLTOXB4	<p>ANNUAL TURNOVER DEFINITION DELETED</p> <p>The definition of Annual Turnover in Section 2 of the Policy is deleted.</p>
MEMOS2H4	<p>MEMORANDA TO SECTION 2 SUB-HEADING</p> <p>(For use whenever you need to amend, add or delete a Memorandum to Section 2 by endorsement).</p>
SPLITVS4	<p>DEPARTMENTAL CLAUSE</p> <p>The Memorandum under this heading is amended to read:</p> <p>If the Business is conducted in departments or business units the independent trading results of which are ascertainable, the provisions of Clauses (a) and (b) of Item nos. 1 and 3 shall apply separately to each department or unit affected by the Damage.</p>
NEWBMXB4	<p>NEW BUSINESS MEMORANDUM AMENDED</p> <p>The definition of Annual Turnover forming part of the New Business memorandum is deleted.</p>
STOCKVS4	<p>ACCUMULATED STOCKS</p> <p>The words "of finished goods" are deleted from the Memorandum under this heading.</p>
UTILAXB4	<p>PUBLIC UTILITIES MEMORANDUM EXTENDED</p>

	<p>Any loss resulting from interruption of or interference with the Business directly or indirectly in consequence of Damage anywhere in Australia to any communication link, subterranean or undersea pipe or cable and/or electric power station or sub-station, gasworks, waterworks or supply line of the public supply undertaking from which the Insured obtains electric current, gas or water shall be deemed to be loss resulting from Damage to Property used by the Insured at the Premises. It shall not be a condition precedent to liability under this endorsement that payment shall be made or liability admitted for damage under Section 1 of the policy.</p>
UTILBXS4	<p>REMOTE PREMISES OF PUBLIC UTILITIES</p> <p>The Memorandum headed "Public Utilities Extension" is amended to read:</p> <p>Any loss resulting from interruption of or interference with the Business directly or indirectly in consequence of Damage anywhere in Australia to any generating station or sub-station of the public electricity supply undertaking, any land-based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith or any waterworks or pumping station of the public water supply undertaking, from which undertakings the Insured obtains electricity, gas or water, shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
OPALTXB4	<p>TURNOVER/OUTPUT ALTERNATIVE AMENDED</p> <p>The memorandum headed Turnover/ Output Alternative in Section 2 of the policy is amended to read:</p> <p>If it gives a more equitable result in determining the actual loss sustained by the Insured, the term "Output" may be substituted for the term "Turnover" and, for the purpose of this Section, "Output" shall mean the sale and/or invoice value of goods manufactured and/or processed by the Insured in course of the Business at the Premises. Provided that only one such term shall be operative in connection with any one event involving Damage.</p> <p>If the meaning set out above be used, the memorandum "Trading Elsewhere After Damage" shall be altered to read as follows:</p> <p>If during the Indemnity Period goods shall be manufactured and/or processed other than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the sale value of the goods so manufactured and/or processed shall be brought into account in arriving at the Output during the Indemnity Period.</p> <p>and the memorandum "Accumulated Stocks" shall be altered to read as follows:</p> <p>In adjusting any loss under this Section, account shall be taken and equitable allowance made if any Shortage in Output due to the Damage is postponed by reason of the Output being temporarily maintained from accumulated stocks.</p>
PTBLAXB4	<p>PORT BLOCKAGE</p> <p>Any loss resulting from interruption of or interference with the Business in consequence of blockage of the local port or harbour which causes disruption to shipping and is caused by stranding, grounding, sinking or capsizing and/or through collision or contact of any vessel or craft with any other vessel, craft, structure or other object of any kind shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
PTBLBxB4	<p>PORT BLOCKAGE (B)</p> <p>Notwithstanding the provisions of Property Exclusions 4 (a), 5, 9 and 10, the term "Damage" is extended to include blockage of the local port, harbour or wharf, which causes disruption to shipping and is caused by:</p> <ul style="list-style-type: none"> <li>(xlv) (a) stranding, grounding, sinking or capsizing and/or through collision or contact of any vessel or craft with any other vessel, craft, structure or other object of any kind,</li> <li>(xlvi) (b) damage to or collapse of any bridge,</li> <li>(xlvii) (c) damage to or collapse of any dock, wharf or pier or the foundering of any materials handling equipment, locomotive, rolling stock or vehicle falling overboard from any dock, wharf or pier.</li> </ul> <p>Any such blockage shall be deemed to be Damage to property used by the Insured at the Premises.</p>
HEMINXB4	<p>ISOLATION BY LANDSLIDE OR FLOOD</p> <p>Notwithstanding Property Exclusion 9 and Perils Exclusions 3(a) and 7(c). Any loss resulting from interruption of or interference with the Business in consequence of blockage of roads or railway links, bridges or tunnels caused by landslide or flood and which prevents or hinders the use of or access to</p>

	<p>the Premises shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
ATTRAXB4	<p>LOSS OF ATTRACTION (A)</p> <p>The second paragraph of the memorandum in Section 2 of this policy, headed "Premises in the Vicinity (Prevention of Access)", is amended to read:</p> <p>Any loss resulting from interruption of or interference with the Business in consequence of Damage to property within a radius of ten (10) kilometres of the Premises which causes a fall in the number of potential customers attracted to the vicinity of the Premises shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
ATTRBXS4	<p>LOSS OF ATTRACTION (B)</p> <p>The second paragraph of the memorandum headed Premises in the Vicinity (prevention of Access) is amended by deleting the word "temporary".</p>
MGNEXS4	<p>LOSS OF ATTRACTION - DRAWCARD PREMISES</p> <p>The second paragraph of the memorandum headed Premises in the Vicinity (Prevention of Access) is extended to include the following clause:</p> <p>Any loss resulting from interruption of or interference with the Business in consequence of Damage to property at the premises identified in the Schedule against "Loss of Attraction - Drawcard Premises", which results in a cessation or diminution of the Insured's trade or normal business operations, shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
DZONEXS4	<p>LOSS OF ATTRACTION - GENERAL AREA</p> <p>The second paragraph of the memorandum headed Premises in the Vicinity (Prevention of Access) is extended to include the following clause:</p> <p>Any loss resulting from interruption of or interference with the Business in consequence of Damage to property within a radius of <i>[insert number of kilometres]</i> kilometres of the Premises which results in a cessation or diminution of the Insured's trade or normal business operations, shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
BLOCKXB4	<p>INTERFERENCE WITH ACCESS TO PREMISES OF OTHERS</p> <p>The policy memorandum applicable to Section 2 entitled "Premises in the Vicinity (Prevention of Access)" is deleted and the following memorandum included in lieu thereof:</p> <p>Loss as insured by the policy resulting from interruption of or interference with the Business in consequence of Damage or threat of damage to property in the vicinity of the Premises or in the vicinity of additional premises referred to in extensions to the policy or by the action of any lawfully constituted Authority attempting to avoid or diminish risk to life or property in the vicinity of such premises which shall prevent or hinder the use thereof or access thereto, whether the premises or property therein shall be damaged or not, shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p> <p>Loss as insured by the policy resulting from interruption of or interference with the Business in consequence of Damage or threat of damage to property in the vicinity of and forming part of or contained in the complex of which the Premises forms part which results in a cessation or diminution of trade due to temporary falling away of potential custom whether the premises or property therein shall be damaged or not shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p> <p>Perils Exclusion 7(d) shall not apply to the cover granted by this endorsement.</p>
FLEETXB4	<p>MOTOR VEHICLES</p> <p>Loss as insured by Section 2 of the policy resulting from interruption of or interference with the Business in consequence of Damage to motor vehicles used by the Insured anywhere in Australia for the purpose of the Business shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p> <p>Provided that the liability of the Insurer(s) shall be limited to the sub-limit stated in the Schedule of the policy against "Motor Vehicles" for any one loss or series of losses arising out of any one event or occurrence.</p>
DELIVXS4	<p>CONTRACT CARRIERS' VEHICLES</p> <p>Notwithstanding the provisions of Property Exclusion 5, damage to any registered vehicles and/or trailers which are owned and/or operated by a carrier under contract to the Insured, while such vehicles</p>

	<p>and/or trailers are at the Premises or at premises owned, occupied or used by the carrier (but not while such vehicles and/or trailers are being used on any public highway or thoroughfare) shall be deemed to be Damage to property used by the Insured at the Premises.</p>
SPREMXB4	<p><b>SPECIFIED SUPPLIERS' AND/OR CUSTOMERS' PREMISES</b></p> <p>Loss resulting from interruption of or interference with the Business in consequence of Damage to property at the specified premises anywhere in the world of any producer or merchant identified in the Schedule against "Specified Suppliers' and/or Customers' Premises" shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises. The liability of the Insurer(s) under this endorsement shall be limited to the percentage(s) stated in the Schedule against each premises specified, in respect of any one loss or series of losses arising out of any one event or occurrence at the particular premises specified. The percentage(s) specified in the Schedule shall be applied to the total of the values of Gross Profit and Pay-roll declared as at the day of commencement of the Period of Insurance.</p> <p>For the purposes of this endorsement, the term "premises of a producer" refers to premises, other than those described in the Public Utilities Extension to Section 2 of the policy, at which any of the goods (including any constituents of such goods) or services used by the Insured are produced, assembled or stored. The term "premises of a merchant" refers to premises to which the Insured provides goods or services.</p>
DASSCXB4	<p><b>DENIAL OF ACCESS TO SPECIFIED SUPPLIERS' OR CUSTOMERS' PREMISES</b></p> <p>Loss resulting from interruption of or interference with the Business in consequence of Damage to property in the vicinity of any specified premises of any producer and/or merchant (as defined in the endorsement headed "Specified Suppliers and/or Customers' Premises") identified in the Schedule, which prevents or hinders the use of or access to such premises, shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
SCUSTXB4	<p><b>SUPPLIERS AND/OR CUSTOMERS OF SPECIFIED CUSTOMERS</b></p> <p>Loss resulting from interruption of or interference with the Business in consequence of Damage to property at any unspecified premises, anywhere in Australia, of any unidentified supplier or customer of a customer of the Insured, whose names are specified in the Schedule (and in respect of which an endorsement headed "Specified Suppliers' and/or Customers' Premises" attaches to the policy) shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises, provided that the business of the Insured's customer is also disrupted in consequence of the Damage. The liability of the Insurer(s) under this endorsement shall be limited to the percentage stated in the Schedule against "Suppliers and/or Customers of Customers" in respect of any one loss or series of losses arising out of any one event or occurrence at any one premises. The percentage stated in the Schedule shall be applied to the total of the values of Gross Profit and Pay-Roll declared as at the day of commencement of the Period of Insurance.</p>
USCFLXB4	<p><b>UNSPECIFIED SUPPLIERS' AND/OR CUSTOMERS' PREMISES (FIXED LIMIT)</b></p> <p>Loss resulting from interruption of or interference with the Business in consequence of Damage to property at the premises, anywhere in Australia, of any producer or merchant (or in the vicinity of such premises, which prevents or hinders the use of or access to such premises) shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p> <p>The liability of the Insurer(s) under this endorsement, in respect of any one loss or series of losses arising out of any one event or occurrence at any one premises, shall be limited to five per cent (5%) of the total of the values of Gross Profit and Pay-roll declared as at the day of commencement of the Period of Insurance.</p> <p>For the purposes of this endorsement, the term "premises of a producer" refers to premises, other than those described in the Public Utilities Extension to Section 2 of the policy, at which any of the goods (including any constituents of such goods) or services used by the Insured are produced, assembled or stored. The term "premises of a merchant" refers to premises to which the Insured provides goods or services.</p>

USCSLXB4	<p><b>UNSPECIFIED SUPPLIERS' AND/OR CUSTOMERS' PREMISES (SINGLE LIMIT)</b></p> <p>Loss resulting from interruption of or interference with the Business in consequence of Damage to property at the premises, anywhere in Australia, of any producer or merchant (or in the vicinity of such premises which prevents or hinders the use of or access to such premises) shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p> <p>The liability of the Insurer(s) under this endorsement, in respect of any one loss or series of losses arising out of any one event or occurrence at any one premises, shall be limited to the percentage, stated in the Schedule against "Unspecified Suppliers' and/or Customers' Premises (Single Limit)", of the total of the values of Gross Profit and Pay-roll declared as at the day of commencement of the Period of Insurance.</p> <p>For the purposes of this endorsement, the term "premises of a producer" refers to premises, other than those described in the Public Utilities Extension to Section 2 of the policy, at which any of the goods (including any constituents of such goods) or services used by the Insured are produced, assembled or stored. The term "premises of a merchant" refers to premises to which the Insured provides goods or services.</p>
ROYALXB4	<p><b>ROYALTIES RECEIVABLE</b></p> <p>Loss of royalties receivable in consequence of Damage to property at the specified premises anywhere in the world of any company, firm or person identified in the Schedule against "Royalties Receivable" shall, subject to the sub-limit stated in the Schedule, be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
IDEPAXB4	<p><b>INTERDEPENDENCY - AUSTRALIA</b></p> <p>Loss as insured by Section 2 of the policy resulting from interruption of or interference with the Business in consequence of Damage to property not insured by Section 1 of the policy and situated at any other premises in Australia owned and/or occupied and/or used by the Insured for the purpose of the Business or any other business shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
IDEPWXB4	<p><b>INTERDEPENDENCY - WORLDWIDE</b></p> <p>Loss resulting from interruption of or interference with the Business in consequence of Damage to property at any premises in the world of related corporations (as defined by Australian Companies Codes) or subsidiary companies of the Insured shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
CLOSEXB4	<p><b>CLOSURE BY ORDER OF A PUBLIC AUTHORITY</b></p> <p>Loss as insured by this policy resulting from interruption of or interference with the Business directly or indirectly arising from closure or evacuation of the-whole or part of the Premises or other premises in the vicinity of the Premises by order of a competent public Authority directly or indirectly arising from infectious or contagious human disease occurring at such premises or from a threat or fear of violent damage to such premises and/or injury to persons therein shall be deemed to be loss resulting from damage to property used by the Insured at the Premises. Perils Exclusion 7(d) and Property Exclusion 2(e) shall not apply to the cover granted by this endorsement.</p>

REPELXB4	<p>INFECTIOUS DISEASES, ETC</p> <p>Loss as insured by the policy resulting from interruption of or interference with the Business directly or indirectly arising from:</p> <ul style="list-style-type: none"> <li>(xlviii) (a) infectious or contagious disease manifested by any person whilst at the Premises;</li> <li>(xlix) (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;</li> <li>(l) (c) the outbreak of a notifiable human infectious or contagious disease occurring within 40 kilometres of the Premises;</li> <li>(li) (d) injury, illness or disease directly caused by the consumption of food or drink provided on the Premises;</li> <li>(lii) (e) murder or suicide occurring in or at the Premises; or</li> <li>(liii)(f) threat or fear of violent damage to the Premises and/or injury to persons therein.</li> </ul> <p>Shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises. Perils Exclusion 7(d) and Property Exclusion 2(e) shall not apply to the cover granted by this endorsement.</p>
EXHIBXB4	<p>TRADE EXHIBITIONS</p> <p>Loss as insured by Section 2 of the policy resulting from interruption of or interference with the Business due to curtailment of any trade exhibition anywhere in the world in consequence of Damage thereat and/or to property exhibited therein by the Insured shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p> <p>Provided that the liability of the Insurer(s) shall be limited to the sub-limit stated in the Schedule of the policy against "Trade Exhibitions" for any one loss or series of losses arising out of any one event or occurrence.</p>
VLATXB4	<p>VALUE ADDED TAX</p> <p>To the extent that the Insured is accountable to taxation Authorities for Value Added Tax or similar local tax, all terms in this Section shall be exclusive of such tax.</p>
LOWERXS4	<p>REDUCED MARGIN</p> <p>If, in consequence of Damage giving rise to a claim under this Policy, Turnover is maintained at a reduced Rate of Gross Profit, an equitable allowance shall be made for the loss of Gross Profit resulting from an increase in the ratio to Turnover of stock usage or purchases (adjusted for stock variations). No allowance shall be made for an increase in the ratio to Turnover of any other uninsured expenses.</p>
MINERXS4	<p>INTERVENTION OF AUTHORITIES</p> <p>For the purposes of this Endorsement, the term "Damage" is extended to include:</p> <ul style="list-style-type: none"> <li>(liv) (a) evacuation, closure and/or sealing of a mine or any part thereof used by the Insured, by order of any lawfully constituted government authority and/or</li> <li>(lv) (b) the imposition by any lawfully constituted government authority of a different method of mining or mineral recovery,</li> </ul> <p>directly or indirectly arising from</p> <ul style="list-style-type: none"> <li>(lvi) (i) loss or destruction of or damage to or a constructive total loss to the Insured's underground workings or equipment or other property or any part of these, used by the Insured and located underground, or</li> <li>(lvii) (ii) bodily injury to any person (including loss of life) whilst in a mine if caused in any circumstances set out in paragraph (i).</li> </ul> <p>Such evacuation, closure, sealing or imposition shall be deemed to be Damage to property used by the Insured at the Premises.</p> <p>The provisions of Property Exclusions 4(a), 8, 9, 11 and 14 (a) and Perils Exclusions 3(a), 4 (d) and 7(c) do not apply to this extension.</p>
SITESXS4	<p>CONTRACT SITES</p> <p>Notwithstanding the provisions of Property Exclusion 14 (a), damage to property included in a project of construction, erection, alteration or addition and located at any contract site in Australia, including materials and equipment belonging to the Insured or for Damage to which the Insured is responsible,</p>

	shall be deemed to be Damage to property used by the Insured at the Premises.
BLOCKXS4	<p>DISRUPTION BY ROAD BLOCKADE</p> <p>Notwithstanding the provisions of Perils Exclusion 7(b) [Sub-Clause 12.7(b)], the term "Damage" is extended to include any blockade of highways and/or access roads to the Premises by goods-carrying vehicles and their drivers. Any such blockade shall be deemed to be Damage to property used by the Insured at the Premises.</p>
TPOUTXS4	<p>THIRD PARTY STRIKES AND LOCK-OUTS</p> <p>Notwithstanding the provisions of Perils Exclusion 7(b) [Sub-Clause 12.7(b)], the term "Damage" is extended to include total or partial cessation of work or cessation, interruption or retarding of any process or operation, each or all as a result of an industrial dispute.</p> <p>This extension excludes such action taken by employees of the Insured, by employees of any holding or subsidiary company of the Insured or by the Insured or any holding or subsidiary company of the Insured. The occurrence of any such third party strike or lock-out shall be deemed to be Damage to property used by the Insured at the Premises.</p> <p>The Insurer(s)' liability for any one loss or series of losses arising out of any one event at any one of the premises (whether in Australia or elsewhere in the world) specified in the Schedule shall not exceed the Sub-Limit of Liability stated in the Schedule against "Third Party Strikes and Lock-Outs". Schedule shall not exceed the Sub-Limit of Liability stated in the Schedule against "Third Party Strikes and Lock-Outs".</p> <p>Section 2 of this Policy does not cover loss resulting from interruption of or interference with the Business during the first five (5) consecutive working days that the Business is affected in consequence of the strike or lock-out.</p>
COURTXS4	<p>CLOSURE BY INJUNCTION</p> <p>Notwithstanding the provisions of Perils Exclusion 4, the term "Damage" is extended to include temporary closure of the Premises or any part thereof by injunction or order of a competent court of law or magistrate, pending litigation. Such closure shall be deemed to be Damage to property used by the Insured at the Premises.</p>
THRETXS4	<p>THREATS OF DAMAGE, INJURY OR DEATH</p> <p>Notwithstanding the provisions of Property Exclusion 2 (e) and Perils Exclusion 7 (d), the term "Damage" is extended to include closure or evacuation by order of a competent public authority directly or indirectly arising from a threat or the fear of violent damage to property used by the Insured at the Premises or to property in the vicinity of the Premises. Such closure or evacuation shall be deemed to be Damage to property used by the Insured at the Premises.</p>
FEARSXS4	<p>FEARS OF DAMAGE, INJURY OR DEATH</p> <p>Notwithstanding the provisions of Property Exclusion 2 (e) and Perils Exclusion 7 (d), the term "Damage" is extended to include the use of or access to the Premises being prevented or hindered while the Premises or any rights of way or premises in the vicinity are unlawfully occupied by terrorists or other third parties or sealed off by order of the police or any other lawfully constituted authority in connection with the foregoing circumstances or if the Premises, rights of way or premises in the vicinity are believed to contain or actually contain an explosive device. Such prevention, hindrance, closure or sealing off shall be deemed to be Damage to property used by the Insured at the Premises.</p> <p>For the purposes of this extension the term "terrorist" shall mean any person acting on behalf of or in connection with any organisation and using violence for political ends, including the use of violence for the purpose of putting the public or any section of the public in fear.</p>
EXCLNSH4	<p>EXCLUSIONS TO ALL SECTIONS</p> <p>SUB-HEADING (For use whenever you need to amend or delete an Exclusion.)</p>
PROPEXH4	<p>PROPERTY EXCLUSIONS</p> <p>SUB-HEADING (For use whenever you need to amend or delete excluded property)</p>
IMPERXS4	<p>IMPERMANENT REMOVALS</p> <p>For the purposes of Property Exclusion 1, the term "temporary removal" means removal for a particular purpose, with the intention that the property be returned to the place from which it has been removed when that purpose has been served.</p>

AWAYAXB4	<p>TEMPORARY REMOVAL (A)</p> <p>The wording of Property Exclusion 1 is amended to read:</p> <p>(Iviii) 1. property (except Money) whilst in transit other than the incidental movement of such property within situations occupied by the Insured. This exclusion shall not apply during temporary removal of property (other than stock and/or merchandise) and unregistered motor vehicles to any situation in the Commonwealth of Australia.</p>
AWAYBXS4	<p>TEMPORARY REMOVAL EXEMPTION (B)</p> <p>The final sentence of Property Exclusion 1 is amended to read:</p> <p>This exclusion shall not apply during temporary removal of property (other than stock and/or merchandise), including unregistered motor vehicles other than where used as stock and/or merchandise of the Business, to any situation within the Commonwealth of Australia and whilst at such situation. Whilst such property is in transit (excluding loading, unloading and storage in transit), cover is limited to physical loss, destruction or damage caused by fire, lightning, explosion, earthquake, aircraft, riot, strikes, malicious damage and storm and/or tempest.</p>
AWAYCXS4	<p>TEMPORARY REMOVAL EXEMPTION (C)</p> <p>The final sentence of Property Exclusion 1 is amended to read:</p> <p>This exclusion shall not apply during temporary removal of property (other than stock and/or merchandise), including unregistered motor vehicles other than where used as stock and/or merchandise of the Business, to any situation within the Commonwealth of Australia and whilst at such situation.</p>
TRNSTXB4	<p>PROPERTY IN TRANSIT - AUSTRALIA</p> <p>The policy extends to cover Property Insured whilst in transit between a port or ports or a place or places in Australia (including whilst being loaded on to or unloaded from a conveying vessel, vehicle or aircraft).</p> <p>For the purpose of this endorsement, the following exclusions to all Sections are deemed inoperative:</p> <ul style="list-style-type: none"> <li>• Property Exclusions 1 and 13(b);</li> <li>• Perils Exclusions 3(a), 3(b), 4(a), 6(a) and 6(c).</li> </ul> <p>This endorsement also covers general average and salvage charges (adjusted or determined according to the contract of affreightment and/or the governing law and practice) incurred to avoid or minimise loss insured hereunder.</p> <p>The Insurer(s) shall not be liable under this insurance for:</p> <p>(lix) (i) loss, damage or expense caused by inherent vice or the nature of any property insured hereunder;</p> <p>(Ix) (ii) ordinary leakage, ordinary loss in weight or volume of any property insured hereunder;</p> <p>(Ixi) (iii) loss, damage or expense proximately caused by delay, except expenses payable in connection with general average and salvage charges;</p> <p>(Ixii) (iv) loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of any vessel;</p> <p>(Ixiii) (v) loss, damage or expense arising from:</p> <p style="padding-left: 20px;">(Ixiv) (a) unseaworthiness of a vessel or craft;</p> <p style="padding-left: 20px;">(Ixv) (b) unfitness of a vessel, craft, conveyance, container or liftvan for the safe carriage or property insured hereunder;</p> <p>where the Insured or their servants are aware of the unseaworthiness or unfitness at the time the property insured is loaded therein.</p>
MONEYVS4	<p>MONEY CARRIERS - OTHER INSURANCE</p> <p>The first paragraph of Property Exclusion 2(a) is amended to read:</p> <p>(Ixvi) (a) whilst being carried by professional money carriers, professional carriers or common carriers which is insured by any person or entity other than the Insured except to the extent of any Damage in excess of the amount of that insurance.</p>
CITINXS4	<p>MONEY INSURED BY CARRIER</p> <p>The first paragraph of Property Exclusion 2 (a) is amended to read:</p> <p>2. Money</p>



	(a) whilst being carried by professional money carriers, professional carriers or common carriers and on which insurance has been arranged by any person or entity other than the Insured, excepting the excess amount over and above such insurance; which excess amount is held to be covered hereunder.
BUSHRXS4	<b>BUSINESS HOURS</b> For the purposes of Property Exclusion 2(c), the Insured's business hours shall mean the period during which the Insured's premises are actually occupied for business purposes and during which the Insured or employees of the Insured are in the premises.
LATERXB4	<b>LOSS DISCOVERED LATE</b> Property Exclusion 2(d) is amended to read: (d) where the loss is not discovered within fifteen (15) working days of the event.
CACHEVS4	<b>MONEY LOSSES - KIDNAP, BOMB THREAT, HOAX, EXTORTION</b> Property Exclusion 2 (e) is amended to read: (I xvii) (e) where the loss arises out of a demand made for payment of money in connection with any kidnapping, bomb threat, hoax, extortion or an attempt at any of these.
JEWELXB4	<b>VALUABLES</b> Property Exclusion 3 is deleted and the following Property Exclusion 3 is included in lieu thereof:
BOATAXB4	<b>WATERCRAFT</b> Property Exclusion 4(a) shall not apply to watercraft under 8 metres in length.
BOATBVS4	<b>WATERCRAFT (B)</b> Property Exclusion 4(a) is amended to read: (I xviii) 4(a) any locomotive or rolling stock or watercraft other than where used as stock or merchandise of the Business, provided always that no cover shall apply to any watercraft while in water;
PLANEVS4	<b>AIRCRAFT</b> The provision forming part of Property Exclusion 4(b) is amended to read: Provided always that no cover shall apply to aircraft during taxiing, take-off, flight or landing.
CARSAXB4	<b>REGISTERED VEHICLES</b> Property Exclusion 5 is amended to read: (I xix) 5. vehicles or trailers registered or licensed to travel on a public road, provided that this exclusion shall not apply to motor vehicles, mobile plant and equipment (to the extent that they are not otherwise insured) whilst on any premises occupied or used by the Insured.
CARSBXS4	<b>REGISTERED VEHICLES (B)</b> Property Exclusion 5 is amended to read: (I xx) 5. vehicles or trailers registered or licensed to travel on a public road, provided that this exclusion shall not apply to motor vehicles, mobile plant and equipment which are so registered or licensed (to the extent that they are not otherwise insured) whilst on any premises occupied or used by the Insured or any area designated for work by the Insured.
CARSCVS4	<b>REGISTERED VEHICLES (C)</b> The words "not otherwise insured" are deleted from Property Exclusion 5.
CARSDXS4	<b>REGISTERED VEHICLES (D)</b> Property Exclusion 5 is amended to read: (I xxi) 5. vehicles or trailers registered or licensed to travel on a public road, provided that this exclusion shall not apply to such vehicles where used as stock or merchandise of the Business nor to mobile plant and equipment, whilst on any premises occupied or used by the Insured.
CAGEDXB4	<b>DECORATIVE LIVESTOCK</b> Property Exclusion 6 is amended to read: (I xxii) 6. Livestock, animals, birds or fish (other than birds or fish used solely for decorative purposes).

COWSAXB4	LIVESTOCK - FIRE Property Exclusion 6 is amended to read: (Ixxiii) 6. Livestock, animals, birds or fish, other than livestock by fire or lightning.
COWSBXS4	LIVESTOCK - FIRE, LIGHTENING OR FLOOD Property Exclusion 6 is amended to read: (Ixxiv) 6. living animals, birds or fish, except livestock or bloodstock by fire, lightning, flood or humane slaughter resulting from one of these causes.
TIMBRXB4	STANDING TIMBER Property Exclusion 7 is amended to read: (Ixxv) 7. growing crops and pastures
CROPSXB4	STANDING TIMBER, GROWING CROPS AND PASTURES Property Exclusion 7 is deleted.
PAVEDXS4	PAVED AREAS Property Exclusion 9 is amended to read: (Ixxvi) 9. bridges, canals, roadways (other than driveways, vehicle parking or manoeuvring areas and other paved areas at the Situation) and tunnels, railway tracks (other than on the premises occupied or used by the Insured), dams and reservoirs (other than tanks) and their contents.
DOCKSXB4	DOCKS, WHARFS AND PIERS Property Exclusion 10 is deleted.
WATERXS4	BUILDINGS OVER WATER Property Exclusion 10 is amended to read: (Ixxvii) 10. docks, wharves, piers, jetties and other structures running into the sea or a river or lake as landing stages, except any such structure on which a building is erected.
WKIPAXS4	PROPERTY BEING PROCESSED (A) Property Exclusion 12 is amended to read: (Ixxviii) 12. property during the course of, and as a result of, its processing unless fire or explosion ensues, in which event the Insurer(s) shall only be liable for the Damage caused by such fire or explosion.
WKIPBXS4	PROPERTY BEING PROCESSED (B) Property Exclusion 12 is amended to read: (Ixxix) 12. property during the course of, and as a result of, its processing other than Damage to such property caused by any peril not otherwise excluded by this Policy even if such Damage results from its processing and, notwithstanding the provisions of Perils Exclusion 4 (a), other than Damage to such property caused by pollution or contamination, discolouration, change in colour, flavour, texture or finish even if such damage results from its processing.
STORMXB4	WEATHER DAMAGE TO CERTAIN PROPERTY Property Exclusion 13 is deleted.
CLOTHXS4	WIND, RAIN OR HAIL DAMAGE TO TEXTILE AWNINGS AND BLINDS Property Exclusion 13 (a) is amended to read: (Ixxx) 13(a) gates, fences and retaining walls caused by wind, rainwater or hail.
SLEETXB4	HAIL EXCEPTED Property Exclusion 13 is amended by deleting the final words "or hail".
EXISTVB4	CONTRACT WORKS - EXISTING STRUCTURE Property Exclusion 14(a) is amended by adding the sentence: Provided that this exclusion 14(a) shall apply only to the works comprising such construction, erection, alteration or addition and not to any original or existing structures.
WKSVLXB4	CONTRACT WORKS - VALUE Property Exclusion 14(a) is amended to read:

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14(a) property undergoing construction, erection, alteration or addition when the value of work completed at the time of physical loss, destruction or damage exceeds 10% of the limit of liability for Section 1 of the policy or \$500,000, whichever is the lesser.

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XMTWKXB4 CONTRACT WORKS - EXEMPTION

Property Exclusion 14(a) shall not apply in respect of the following contract:

*[insert details of contract here]*

This endorsement extends to include dismantling, movement within the location occupied by the Insured, re-erection, testing and/or commissioning of machinery, plant and equipment.

The under noted "Exclusions - Applicable to all Sections" shall not apply to the cover granted by this endorsement.

<u>Exclusion</u>	<u>Number</u>
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Property	13
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Perils	4(c) and 4(e)
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Perils	6(a) and 7(c)
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Perils Exclusion 6(b) is amended to read:

6(b) unexplained routine inventory shortage unless such loss can reasonably be attributed to burglary and/or theft or any attempt thereat.

The following exclusion shall apply to this endorsement:

This insurance does not cover the cost of rectifying defective workmanship, material or design, or wear and tear. This exclusion shall be limited to the part that is defective and shall not apply to any other part(s) damaged in consequence.

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NOTGOXB4 NON-OPERATION

The first paragraph of Property Exclusion 16 is amended by adding the words "except non-operation occasioned by or happening through any cause or event not otherwise excluded".

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FUSEDXB4 FUSION

The policy extends to indemnify the Insured against loss, destruction of or damage to any part or parts of the electrical, electro-mechanical and electronic machines, switchboards, installations or apparatus forming part of the Property Insured (excluding rectifiers, radio, television or amplifying equipment of any description) caused by the actual burning out of such part or parts by the electric current therein.

The Insurer(s) shall not be liable under this endorsement for:

(lxxxi) (a) loss of use, depreciation, wear and tear.

(lxxxii) (b) loss, destruction of or damage to:

(lxxxiii) (i) lighting or heating elements, fuses or protective devices;

(lxxxiv) (ii) electrical contacts at which sparking or arcing occurs in ordinary working.

The liability of the Insurer(s) shall not exceed the sub-limit stated in the schedule of the policy against "Fusion" for any one loss or series of losses arising out of any one event or occurrence at any one location.

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HUMIDXS4 CHANGES IN A TEMPERATURE OR HUMIDITY CONTROLLED ENVIRONMENT

Notwithstanding the provisions of Property Exclusions 12 and 16 or Perils Exclusions 4 (a) and 6 (c), the Policy extends to include loss or destruction of or damage to stocks caused by or arising from changes in temperature and/or humidity in a temperature and/or humidity controlled environment where any such change arises out of mechanical, hydraulic, electrical or electronic breakdown of the temperature and/or humidity controlling equipment for a period of not less than twelve hours.

The liability of the Insurer(s) shall be limited to the Sub-Limit of Liability stated in the Schedule of the Policy against "Changes in a Temperature and/or Humidity Controlled Environment" for any one loss or series of losses arising out of any one event or occurrence at any one location.

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SPOILXS4

SPOILAGE OF GOODS IN COLD STORAGE

Notwithstanding the provisions of the policy exclusions, this Policy is extended to include Damage to goods contained in cold storage if caused by:

- (lxxxv) (1) Damage to the refrigeration plant occasioned by or happening through any cause or event not otherwise excluded, even if such cause or event results from an excluded peril,
- (lxxxvi) (2) pollution or contamination by leaking refrigerant,
- (lxxxvii) (3) a rise or fall in temperature resulting from:
  - (lxxxviii) (a) a sudden, unintended and unexpected leakage of refrigerant or
  - (lxxxix) (b) faulty operation of the temperature controlling device(s) or
  - (xc) (c) failure of publicly supplied electricity, water or gas services arising from Damage to any property of the public supply authority occurring in circumstances in which indemnity would apply if that property was insured under Section 1 of this Policy (other than indemnity not applying because of the application of a Deductible) or
  - (xci) (d) failure of publicly supplied electricity, water or gas services arising from the cessation of work whether total or partial by employees of the public supply authority or from the interruption or retarding of any process or operation as a result of any industrial dispute involving employees of the public supply authority.

The liability of the Insurer(s) for any one loss or series of losses arising out of any one event or occurrence at any one location shall be limited to the Sub-Limit of Liability stated in the Schedule of the Policy against "Spoilage of Goods in Cold Storage" and shall be reduced by the amount of the Deductible stated in the Schedule.

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BDOWNXB4  
*(continued on  
following  
page)*

MACHINERY BREAKDOWN (PHYSICAL DAMAGE AND EXPEDITING COSTS)

Property Exclusion 16 is deleted and the policy extends to indemnify the Insured for damage to Machinery occasioned by or happening through any mechanical, electrical, electromechanical, electronic or hydraulic malfunction, failure, derangement, breakdown or non-operation of any kind except as otherwise specifically excluded. For the purpose of this endorsement:

1. "Machinery" means any apparatus, including electronic control equipment, whether functioning independently or as part of a collection of apparatus, which generates, contains, controls, transmits, receives, transforms or utilises any form or source of energy or power.
2. The following specific exclusions shall apply to this endorsement and shall take precedence over the exclusions applicable to all sections of the policy:

Property Exclusions

Physical loss or destruction of or damage to:

- (a) any sewer piping, underground gas piping, piping forming part of any sprinkler system or water piping other than boiler feed water piping, boiler condensate return piping or water piping connecting to or used with an airconditioning system;
  - (b) any structure, foundation or setting (other than a bedplate) supporting or housing any Machinery, or the lining or fire wall of any unfired vessel;
  - (c) any vehicle or mobile equipment whilst being driven on a public thoroughfare (but damage to such vehicle or mobile equipment whilst being used at any situation as a tool of trade is not excluded);
  - (d) any aircraft or floating vessel;
  - (e) any elevator, crane, hoist, power shovel, dragline or conveyor (but not any pressure vessel or electrical equipment used with such items of Machinery);
  - (f) any computer or electronic data processing equipment;
  - (g) any X-ray machine, spectrograph, gauges or other apparatus using radioactive materials, any radio or television apparatus;
  - (h) any penstock, draft tube or well casing;
  - (i) any steam or gas turbine-generator with a capacity exceeding 250 horsepower or equivalent;
  - (j) electrical wiring and fittings associated with lighting and power circuits.
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BDOWNXB4  
(cont.)

Perils Exclusions

The Insurer(s) shall not be liable in respect of

- (xcii) (a) (i) wear and tear and gradual deterioration (whether by wasting, grooving, rust, corrosion, erosion or otherwise) nor for the cost of maintenance work generally;
- (xciii) (ii) gradually developing flaws, deformation, distortion, cracks or partial fractures;

Provided that Perils Exclusions (a)(i) and (ii) shall be limited to the part(s) of the Machinery immediately so affected and shall not apply to any other part(s) of the Machinery undergoing sudden and unforeseen damage in consequence thereof.

- (xciv) (b) repair or renewal of non-metallic parts and expendable tools, blades, edges, moulds, dies, templates, screens, sieves, ropes, belts and like items subject to rapid wear and tear unless repair or renewal thereof is necessitated by the occurrence of damage (as insured by this endorsement) to any other part(s) of the Machinery;

- (xcv) (c) damage:

- (i) arising from the intentional application of any tool or process to the Machinery during the course of repair, alteration, modification, maintenance or overhaul thereof.
- (ii) to the Machinery resulting from the imposition of abnormal conditions relating to testing or intentional overloading of or experiments with the Machinery, unless the Insurer(s) shall have agreed in writing to grant indemnity under this endorsement whilst the Machinery is being operated under such conditions.
- (iii) to the Machinery resulting from fault(s) or defect(s) therein known to the Insured or to responsible employees of the Insured but not disclosed to the Insurer(s) at the commencement of the Period of Insurance.

- (xcvi) (d) consequential loss of any kind (including consequential loss due to lack of performance, loss of contract or payment in respect of any contractual fine or penalty due to late or non-performance of services by the Insured).

The insurance under this endorsement includes expediting expenses, which shall mean:

- (xcvii) (a) penalty rates for wages during overtime, shift, night, Sunday or holiday working;
- (xcviii) (b) payment for carriage by express passenger, fast goods or other rail or road transport;
- (xcix) (c) payment for carriage by air freight via licensed airline(s) operating a regular scheduled service but not by aircraft chartered for such carriage, unless agreed in writing with the Insurer(s).

The Insurer(s) liability for expediting expenses shall not exceed 50% of the normal cost of repair or replacement of the damaged Machinery.

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EDPBDB4

EDP BREAKDOWN

Section 1 - Material Loss or Damage is extended to cover electronic data processing systems including peripheral and ancillary equipment and media against any sudden and unforeseen loss, destruction or damage whilst such property is within the precincts of the Situation and/or Premises and working or at rest or being dismantled, moved, reassembled or reinstated for the purpose of cleaning, adjustment, inspection, repair, overhaul or relocation but only after successful commissioning at the Situation and/or Premises.

The following "Exclusions - Applicable to all Sections" shall not apply to the cover granted by this endorsement:

Exclusion Number

- Property 16  
Perils 4(a)  
Perils 4(c)  
Perils 4(e)  
Perils 6(c)

Provided that the liability of the Insurer(s) shall not exceed the amount of the sub-limit stated in the schedule of the policy against "Data Processing/Media Breakdown" for any one loss or series of losses arising out of any one event or occurrence at any one location.

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PVEXPXB4

**PRESSURE VESSEL EXPLOSION**

Property Exclusion 17 is deleted and the policy is extended to include damage to boilers and pressure vessel plant caused by their own Explosion or Collapse.

Explosion shall mean the sudden and violent rending of the permanent structure of the plant by force of internal steam or fluid pressure or bodily displacement of any part of such structure together with forcible ejection of its contents. Except in the case of a steam test at a pressure not exceeding the maximum pressure permitted by the inspecting authority, the term explosion shall not mean failure under any test.

Collapse shall mean the sudden and dangerous distortion of any part of the permanent structure of plant by bending or crushing caused by force of steam or fluid pressure whether attended by rupture or not. Except in the case of a steam test at a pressure not exceeding the maximum pressure permitted by the inspecting authority, the term collapse shall not mean failure under any test.

The following defects do not constitute Explosion or Collapse even though repair or replacement may be necessary:

(c) (i) wearing away or wasting of the material of the plant whether by leakage, corrosion or by the action of the fuel or otherwise;

(ci) (ii) slowly developing deformation or distortion of any part of the plant;

(cii) (iii) cracks, fractures, blisters, laminations, flaws or grooving even when accompanied by leakage or damage to tubes, headers or other parts of the plant caused by over-heating or leakage at seams, tubes or other parts of the plant;

(ciii) (iv) failure of joints;

but Explosion or Collapse arising from any such defect is not excluded hereby.

The term Boiler and Pressure Vessel Plant includes any connected super-heaters, economisers, mountings, fittings, valves and steam piping.

Specific Exclusions to Endorsement

Damage arising during the application of hydraulic test of the plant and occasioned thereby. If at the time of Explosion or Collapse or other damage insured by this extension:

(civ) (a) the load on the safety valve or safety valves upon the particular item of plant was in excess of that permitted by the latest certificate issued in accordance with Boiler Inspection Regulations applicable thereto; or,

(cv) (b) if any safety valve limiting the pressure is removed or rendered inoperative; or,

(cvi) (c) where certificates of inspection are issued by a Government Department, if the particular item of plant was not so certified then the Insured shall not be entitled to any indemnity under this endorsement.

The under noted "Exclusions - Applicable to All Sections" shall not apply to the cover granted by this endorsement.

<u>Exclusion</u>	<u>Number</u>
Property	16
Perils	4(c)
Perils	4(e)

The liability of the Insurer(s) shall not exceed the amount of the sub-limit stated in the schedule of the policy against "Boiler or Pressure Vessel Explosion" for any one loss or series of losses arising out of any one event or occurrence at any one location.

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BOIL1XS4

**PRESSURE VESSEL PERILS - SECTION 1**

*(continued on following page)*

Property Exclusion 17 is deleted and the Policy is extended to include damage to any Boiler or Pressure Vessel caused by its own explosion, rupture, collapse, bursting, cracking or overheating.

(cvii) For the purposes of this extension, the term "Boiler or Pressure Vessel" means those parts of the permanent structure of a boiler, pressure vessel, economiser or superheater which are normally subject to steam, gas or fluid pressure or vacuum up to and including fittings and attachments (subject to such pressure) connected to the boiler, pressure vessel, economiser or superheater without an intervening valve or cock and in respect of which a certificate is required to be issued under the terms of any statute or regulation.

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BOIL1XS4 (cont.)	<p><u>Specific Exclusions to Endorsement</u></p> <p>(cviii) 1. Damage arising during the application of an hydraulic test of the Boiler or Pressure Vessel and occasioned by such test,</p> <p>(cix) 2. If at the time of the damage -</p> <p>(cx) (a) the load on the safety valve or safety valves upon the Boiler or Pressure Vessel is in excess of that permitted by the latest certificate issued in accordance with boiler inspection regulations applicable thereto; or</p> <p>(cxi) (b) if any safety valve limiting the pressure is removed or rendered inoperative; or</p> <p>(cxii)(c) where certificates of inspection are required to be issued by a government department or authorised inspector and the particular item of plant is not so certified, then the Insured shall not be entitled to any indemnity under this endorsement.</p> <p>These Specific Exclusions shall not apply to subsequent damage to Property Insured occasioned by or happening through any cause or event not otherwise excluded, even if such cause or event results from any circumstances referred to in these Specific Exclusions.</p> <p>Property Exclusion 16 and Perils Exclusions 4 (c) and 4 (e) shall not apply to the insurance granted by this Endorsement.</p> <p>The liability of the Insurer(s) shall not exceed the amount of the Sub-Limit of Liability stated in the Schedule of the Policy against "Pressure Vessel Perils - Section 1" for any one loss or series of losses arising out of any one event or occurrence at any one location.</p>
BOIL2VS4	<p>PRESSURE VESSEL PERILS - SECTION 2</p> <p>The final sentence of Property Exclusion 17 is amended to read:</p> <p>The provisions of this exclusion shall not apply to Section 2 of this Policy.</p>
RDPVSVS4	<p>RESULTANT DAMAGE TO PRESSURE VESSELS</p> <p>Property Exclusion 17 is extended to include the following provision:</p> <p>Provided that the Insurer(s) will indemnify the Insured for any Damage to the aforementioned items caused directly by any circumstances not excluded under Section 1 of this Policy, notwithstanding that these circumstances may in turn have been caused by any of the circumstances specified in this Property Exclusion 17.</p>
PERILXH4	<p>Perils Exclusions</p> <p>(This is a sub-heading. For use whenever you need to amend any of the Perils Exclusions.)</p>
FAULTXS4	<p>LATENT PRE-EXISTING DEFECTS</p> <p>The following provision shall apply to the perils exclusions:</p> <p>Perils Exclusions 4 (a), 4 (c), 4 (e) and 5 (a) shall not apply to any claim for damage caused directly by an insured peril if the dominant or effective cause of the damage was a condition or defect which was not known to the Insured at the time when the contract of insurance was entered into. Notwithstanding the exclusion of latent defect, latent damage shall be deemed to have occurred when first discovered.</p>
TPPBIXS4	<p>BUSINESS INTERRUPTION FOLLOWING RESULTANT DAMAGE</p> <p>For the purposes of Section 2 but not Section 1 of this Policy, the term "Property Insured", where used in the concluding provision of both Perils Exclusions 4 and 7, is extended to include all property or any part thereof used by the Insured at the Premises for the purpose of the Business.</p>
SABOTXS4	<p>DAMAGE BY TERRORISTS</p> <p>Notwithstanding the provisions of Perils Exclusion 1, the Policy is deemed to cover malicious damage and sabotage to Property Insured caused by terrorists, saboteurs, vandals or other persons acting maliciously or by way of protest, but excluding Damage caused directly by war or civil war, seizure, confiscation by authorities, the discharge of pollutants, nuclear contamination and consequential loss of any kind except as provided for in Section 2 of this Policy.</p> <p>For the purposes of this extension, the term "terrorist" shall mean any person acting on behalf of or in connection with any organisation and using violence for political ends, including the use of violence for the purpose of putting the public or any section of the public in fear.</p>
DEMOLXS4	<p>DEMOLITION OF DAMAGED PROPERTY</p> <p>The first paragraph of Perils Exclusion I (b) is amended to read:</p>

	(b) resulting from confiscation, nationalisation, requisition or damage to property by or under the order of any Government or Public or Local Authority, unless such order involves the demolition of property deemed unsafe following damage by any peril not otherwise excluded by this Policy.
EVADEV4	<p>PREVENTION OF IMMINENT DAMAGE</p> <p>The clause immediately following Perils Exclusion 1(b) is amended to read:</p> <p>Notwithstanding the provisions of Perils Exclusion 1(b), the Insurer(s) shall be liable for loss or destruction of or damage to Property Insured and for the reasonable cost of removal of such property including Damage resulting from such removal, in each case for the purpose of preventing or diminishing imminent Damage by, or inhibiting the spread of, fire or any other cause not excluded under this Policy.</p>
RADIAXB4	<p>NUCLEAR: EXEMPT EQUIPMENT</p> <p>Perils Exclusion 2 is amended by adding the following:</p> <p>This exclusion (2) does not apply to any radiations emitted by spectrometers, x-ray units, diathermy machines, equipment for radio and television broadcasting, telecommunications equipment, radar installations or industrial and commercial appliances used for sealing plastics or for welding, heating, drying and cooking.</p>
FLOODXB4	<p>FLOOD</p> <p>Paragraph (a) of Perils Exclusion 3 is deleted.</p>
RDFLDVS4	<p>FLOOD - RESULTANT DAMAGE</p> <p>Perils Exclusion 3(a) is extended to include the following additional provision:</p> <p>Provided further that the Insurer(s) will indemnify the Insured for any Damage to Property Insured caused directly by any circumstances not excluded under Section 1 of this Policy, notwithstanding that these circumstances may in turn have been caused by Flood.</p>
DRAINXS4	<p>FLOOD - AMENDED DEFINITION</p> <p>The definition of "flood" forming part of Perils Exclusion 3 (a) is amended to read:</p> <p>the inundation of normally dry land by water escaping or released from the normal confines of any natural watercourse or lake (whether or not altered or modified) or any dam, reservoir or navigable canal, directly or indirectly as a result of an atmospheric disturbance which has elements of violence, suddenness and largeness about it, but does not mean inundation by water from fixed apparatus, fixed tanks, fixed pipes or surface water run-off from surrounding areas.</p>
SURGEXB4	<p>STORM SURGE</p> <p>Perils Exclusion 3(b) is amended to read:</p> <p>(cxiii) (b) water from or action by the sea, tidal wave or high water but this exclusion (b) shall not apply to a storm surge, which shall mean a temporary change in sea level caused by a meteorological disturbance, such as a cyclone, typhoon, hurricane or strong wind.</p>
RDSEAVS4	<p>THE SEA - RESULTANT DAMAGE</p> <p>Perils Exclusion 3(b) is extended to include the following additional provision:</p> <p>Provided further that the Insurer(s) will indemnify the Insured for any Damage to Property Insured caused directly by any circumstances not excluded under Section 1 of this Policy, notwithstanding that these circumstances may in turn have been caused by the action of water from the sea, tidal wave or high water.</p>
SALTYXS4	<p>THE SEA, TIDAL WAVE AND HIGH WATER</p> <p>Perils Exclusion 3 (b) is deleted.</p>
GRAPLXB4	<p>POLLUTION, CONTAMINATION, INFESTATION, GRADUAL DETERIORATION, POLLUTION, CONTAMINATION AND DEBRIS (A)</p> <p>Perils Exclusion 4(a) is amended to read:</p> <p>(a) (i) loss of weight; evaporation; inherent vice; latent defect; the action of damp atmosphere, natural variations in temperature; insects, vermin, rust, oxidation or corrosion;</p> <p>(ii) contamination or pollution; changes in colour, flavour, texture or finish; the action of smut or smoke from industrial operations, mildew, mould, wet or dry rot or disease, unless such events result from a cause not specifically excluded which originates beyond the premises owned, occupied or used by the Insured,</p>



	other than sudden and unforeseen damage resulting from any event to which this exclusion 4(a) applies.
POLNAXS4 <i>(continued on following page)</i>	<p>POLLUTION, CONTAMINATION AND DEBRIS (A)</p> <p>The words "contamination or pollution" are deleted from Perils Exclusion 4(a) and the perils exclusions are extended to include Perils Exclusion 10, which shall read:</p> <p>(cxiv) 10. Notwithstanding anything to the contrary contained herein, this policy does not cover loss or destruction or damage resulting from pollution or contamination except (unless otherwise excluded) loss or destruction of or damage to property or any part thereof used by the Insured at the premises for the purpose of the business caused by:</p> <p>(cxv)(a) Pollution or contamination at the premises which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, bursting overflowing discharging or leaking of water tanks, apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal.</p> <p>(cxvi) (b) Any of the perils listed in (a) above which itself results from pollution or contamination.</p> <p>In Section 1 - Material Loss or Damage, the whole of paragraph (f) of The Indemnity is deleted and replaced by the following new paragraph (f):</p> <p>(cxvii) (f) costs and expenses necessarily and reasonably incurred in respect of-</p> <p>(cxviii) (i) the removal, storage and/or disposal of debris or the demolition, dismantling, shoring up, propping, underpinning, or other temporary repairs consequent upon damage to property insured by this Policy and occasioned by a peril insured against;</p> <p>(ii) the Insured's legal liability in respect of removal, storage and/or disposal of debris, notwithstanding Excluded Peril 8 in relation to premises, roadways, services, railways or waterways of others, consequent upon damage to the Property Insured by a peril hereby insured against, for such costs together with the cost of cleaning provided that such liability was not assumed by the Insured under an agreement entered into after the commencement of the Period of Insurance or any renewal thereof unless liability would have attached in the absence of such agreement;</p> <p>(iii) the demolition and removal of any property belonging to the Insured which is no longer useful for the purpose it was intended, providing such demolition and removal is necessary for the purpose of the reinstatement or replacement of Property Insured under this section and is consequent upon damage to the Property Insured by a peril hereby insured against.</p>
POLNAXS4 <i>(cont.)</i>	<p>An additional memorandum applicable to all Sections is included and shall read:</p> <p style="text-align: center;"><u>Definitions of "Pollution and Contamination" and "Debris"</u></p> <p>Where the words "pollution" or "contamination" are used as part of this policy or its endorsements or attachments they shall have the specific meaning given below:</p> <p>Damage or loss arising out of the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon any property, land, atmosphere or any watercourse or body of water (including groundwater).</p> <p>Where the word "debris" is used as a part of this policy or its endorsements or attachments it shall have the specific meaning given below:</p> <p>(cxix) (a) the residue of damaged Insured Property; or</p> <p>(cxx) (b) materials deposited on the insured premises as a result of the operation of an insured peril,</p> <p>excluding any material which can cause pollution or contamination and which is deposited beyond the boundaries of the insured premises.</p> <p>Perils Exclusion 7 (d) is amended to read:</p> <p>(cxxi) (d) kidnapping, threat, hoax, extortion or any attempt thereat</p>
POLNBXS4 <i>(continued on following page)</i>	<p>POLLUTION CONTAMINATION AND DEBRIS (B)</p> <p>The words "Contamination or Pollution" are deleted from Perils Exclusion 4(a) and the perils exclusions are extended to include Perils Exclusion 10, which shall read:</p> <p>10. Notwithstanding anything to the contrary contained herein, this Policy does not cover loss or destruction or damage resulting from pollution or contamination except (unless otherwise excluded) loss or destruction of or damage to Property Insured and, in relation to Section 2 only, to other property used</p>

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by the Insured at the Premises for the purpose of the Business, caused by:

- (cxxii) (a) pollution or contamination at the Premises which itself results from fire, thunderbolt, lightning, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact by falling objects, impact by aircraft or other aerial devices or articles dropped from them, sonic boom, the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe or emergency, breakage of glass, loss of money, storm and/or tempest and/or rainwater and/or wind and/or hail and/or surface run-off, flood, the bursting, overflowing, discharging or leaking of water tanks, water apparatus or water pipes, sprinkler leakage, overturning of or impact by any animal or by any registered or unregistered vehicle, containers dropped while being moved or collapse of storage-container stacks.
- (cxxiii) (b) any of the perils listed in (a) above which itself results from pollution or contamination.

In Section 1 - Material Loss or Damage, Clauses (f)(i) and (f)(ii) are amended to read:

- (cxxiv) (i) the removal, storage and/or disposal of debris, decontamination (including any necessary removal of contaminated soil), demolition, dismantling, shoring up, propping, underpinning and other temporary repairs, any of which are consequent upon damage to property insured by this Policy and are occasioned by a peril hereby insured against;
- (cxxv) (ii) the Insured's legal liability in respect of removal, storage and/or disposal of debris, notwithstanding Excluded Peril 8 in relation to premises, roadways, services, railways or waterways of others, consequent upon damage to the Property Insured by a peril hereby insured against, for such costs together with the cost of cleaning and decontamination, provided such liability was not assumed by the Insured under an agreement entered into after the commencement of the Period of Insurance or any renewal thereof unless liability would have attached in the absence of such agreement.

The provision to Clause (f)(ii) reading: "Provided that the insurance under this section does not extend to any liability that the Insured may incur as a consequence of pollution of any kind;" is deleted.

An additional memorandum applicable to all Sections is included and shall read:

Definitions of "Pollution and Contamination" and "Debris"

Where the words "pollution or contamination" are used as part of this Policy or its endorsements or attachments, they shall have the specific meaning given below:

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<i>POLNBXS4 (cont.)</i>	<p>Damage or loss arising out of the discharge, dispersal, release or escape of smoke or soot from industrial operations (other than sudden and unforeseen damage resulting from either of these) or of any vapours, fumes, liquids, gases or chemicals which are toxic or of acids, alkalis, toxic waste materials or other irritants, contaminants or pollutants into or upon any property, land, atmosphere or any watercourse or body of water (including groundwater).</p> <p>Where the word "debris" is used as part of this Policy or its endorsements or attachments, it shall have the specific meaning given below:</p> <p>(cxxvi) (a) the residue of damaged Property Insured, or</p> <p>(cxxvii) (b) material deposited on the insured premises as a result of the operation of an insured peril, excluding any material which is itself a pollutant or contaminant and which is deposited beyond the boundaries of the insured premises.</p>
LEAKSXS4	<p><b>POLLUTION AND CONTAMINATION BY LEAKAGE OF LIQUIDS</b></p> <p>Notwithstanding anything to the contrary contained elsewhere in this Policy, Section 1 covers pollution or contamination at the Premises which itself results from the bursting, overflowing, discharging or leaking of tanks, apparatus or pipes containing liquids other than water.</p> <p>Property Exclusion 8 shall not apply to this extension.</p>
MARKSXB4	<p><b>SCRATCHING AND MARRING</b></p> <p>Perils Exclusion 4(b) is amended by deleting the words "scratching or marring".</p>
CREEPXB4	<p><b>CREEPING, HEAVING AND VIBRATION</b></p> <p>Exclusion 4(d) is amended by adding the following:</p> <p>This exclusion 4(d) does not apply to creeping, heaving and vibration unless such events or happenings result from a cause (not specifically excluded by the policy) which originates beyond premises owned, occupied or used by the Insured.</p>

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SEEPSXB4	SEEPAGE, CREEPING, HEAVING AND VIBRATION Perils Exclusion 4(d) is amended to read: (cxxxviii) (d) normal settling, shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements.
SNAFUXS4	FAULTY DESIGN, MATERIALS OR WORKMANSHIP The following additional provision shall apply to Perils Exclusion 4: Provided further that Perils Exclusions 4(c) and 4(e) shall be limited to that part of any Property Insured which is first and immediately affected by any such error, omission, failure or fault and shall not apply to any other part of the Property Insured.
SITEDXS4	INCORRECT SITING OF BUILDINGS The following provision shall apply to Perils Exclusion 5 (a): Provided that the Insurer(s) will indemnify the Insured for any Damage caused directly by any peril not otherwise excluded, even if such Damage may in turn have been caused by such incorrect siting, error, fault or non-compliance.
YARDSXB4	THEFT IN OPEN (EXCEPT MONEY) EXCLUSION MODIFIED Perils Exclusion 6(a) is amended to read: Theft, without forcible entry or threat of violence, of property in the open air. The liability of the Insurer(s) shall not exceed the sub-limit stated in the schedule of the policy against "Theft of Property in the open air" for any one loss or series of losses arising out of any one event or occurrence at any one location.
HEISTXB4	THEFT IN OPEN (EXCEPT MONEY) EXCLUSION DELETED Perils Exclusion 6(a) is deleted.
RDAIRVS4	THEFT IN OPEN - RESULTANT DAMAGE Perils Exclusion 6(a) is extended to include the following additional provision: Provided further that the Insurer(s) will indemnify the Insured for any Damage to Property Insured caused directly by any circumstances not excluded under Section 1 of this Policy, notwithstanding that these circumstances may in turn have been occasioned by or happened through theft of property (other than Money in transit) in the open air.
WHEREXB4	UNEXPLAINED SHORTAGE Perils Exclusion 6(b) is amended to read: Unexplained disappearance or unexplained inventory shortage, whether resulting from errors in supply or delivery of materials by or to the Insured or solely from clerical or accounting errors by the Insured.
AFIREXB4	SPONTANEOUS COMBUSTION, FERMENTATION OR HEATING Perils Exclusion 6(c)(i) is deleted and Perils Exclusion 6(c)(ii) is amended to read: (cxxxix) (ii) any process involving the direct application of heat. Provided that this exclusion 6(c) shall be limited to the item or items immediately affected and shall not extend to other property damaged as a result of any process involving the direct application of heat.

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INFIDXB4

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EMPLOYEE DISHONESTY

Notwithstanding the provisions of Perils Exclusion 7(a), the Insurer(s) will indemnify the Insured for Loss discovered during the Period of Insurance or within twelve months thereafter or within twelve months after the termination of employment, whichever happens first. The Insurer(s) will not be liable under this endorsement.

- (a) for more than the limits stated in the schedule in respect of any one Employee and of all Employees, notwithstanding that Acts of Fraud or Dishonesty were committed during more than one Period of Insurance;
- (b) for Loss arising from any Acts of Fraud or Dishonesty committed more than twelve months prior to the date of receipt by the Insurer(s) of notice of such Loss.

Definitions

**Insured:** means the employer named as the Insured in the schedule and shall be deemed to include any superannuation or pension scheme, welfare, social and/or sporting club formed for the benefit of Employees and with the knowledge and consent of the Insured.

**Employee:** shall mean:

- (cxxx) (a) any person while employed under a contract • of service with or apprenticeship to the Insured;
- (cxxx) (b) any person while hired or seconded from any other party into the service of the Insured including any agency furnishing personnel; whom the Insured has the right at all times to govern, control and direct in the performance of his/her work in the course of the Business of the Insured but shall not include:
  - (i) any broker, factor, commission agent, consignee, contractor or other agent; and
  - (ii) any partner in or of or any director of the Insured;

unless such person is also an employee of the Insured or has been seconded into the employ of the Insured.

**Business:** means the business or occupation of the Insured stated in the schedule.

**Loss:** means direct pecuniary loss of money, negotiable instruments or goods belonging to the Insured or for which the Insured hold themselves responsible and which the Insured sustains as a result of any Act of Fraud or Dishonesty committed by any Employee, whether acting alone or in collusion with any other person(s).

**Act of Fraud or Dishonesty:** All Losses arising directly or indirectly from any one Employee or any number of Employees in collusion in respect of the one event or series of events arising from the one source or original cause irrespective if the Acts of Fraud or Dishonesty were committed during more than one Period of Insurance shall be deemed one Act of Fraud or Dishonesty.

**Claims Preparation Costs**

This endorsement extends to indemnify the Insured for:

- (a) the fees payable by the Insured to their auditors, and,
- (b) all other costs, charges and expenses reasonably and necessarily incurred by the Insured in the preparation of a claim under this endorsement.

**Alterations and Additions to Staff**

This endorsement extends to cover alterations and/or additions to the staff from the date of each alteration and/or addition subject to the Insured providing at the Insurers' request a statement showing the total number of employees and the categories required to ascertain and adjust the premium.

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**Automatic Reinstatement**

In consideration of the insurance not being reduced by the amount of any Loss, the Insured shall pay additional premium on the amount of the Loss from the date thereof to expiry of the Period of Insurance.

**Unidentifiable Employees**

If a Loss is alleged to have been caused by the fraud or dishonesty of any of the Employees and the Insured shall be unable to designate the specific Employee or Employees causing the Loss, the Insured's claim in respect of such Loss shall not be invalidated by their inability so to do provided the Insured is able to furnish evidence to prove to the Insurer(s) that the loss was in fact due to the fraud or dishonesty of one or more of the Employees.

**Other Parties**

This endorsement extends to include Loss arising as a result of any Act of Fraud or Dishonesty involving money, negotiable instruments or goods belonging to or in the care, custody and/or control of one Insured party arising from the act or acts of Employees of another party insured in terms of this endorsement.

**Superseded Policy**

This endorsement supersedes any policy previously held by the Insured then the insurance afforded by this endorsement shall apply to any Loss which is discovered by the Insured during the Period of Insurance (or within 12 months after the termination thereof) and which would have been recoverable by the Insured under such prior policy but for the fact that the time allowed thereunder within which losses must be discovered had expired, provided that the Insurer(s) shall not be liable hereunder unless such Loss would have been covered in terms of this endorsement had this endorsement been in force when the fraud or dishonesty resulting in the Loss was committed.

**Extended Cover for Past Employees**

Any person who ceases to be an Employee shall for the purpose of this insurance be considered as being an Employee for a period of twelve months after such person ceased to be an Employee.

Memoranda

**Waiver**

It is understood and agreed that knowledge possessed by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this endorsement. Recoveries. If the Insured shall sustain any Loss to which this endorsement applies that exceeds the amount payable hereunder in respect of such Loss, the Insured shall be entitled to all recoveries (except from suretyship, insurance, re-insurance, security or indemnity taken or effected by the Insurers) by whomsoever made on account of such Loss until fully reimbursed, less the actual cost of effecting such recoveries. Any surplus amount shall be applied to reimburse the Insurers.

Exclusions

**Acts Committed After Discovery**

This endorsement does not cover Loss arising after the Insured shall have knowledge of any Act of Fraud or Dishonesty on the part of an Employee, but this exclusion shall not apply to loss of money or property then being conveyed by such Employee outside the Insured's premises. Consequential Loss.

This endorsement does not cover claims arising from consequential loss.

**Clerical/Inventory Shortfall**

This endorsement does not cover any loss or part of a loss which is evidenced solely as to its factual existence or as to the amount by an inventory computation or a profit and loss calculation.

Conditions

**Alterations**

The Insured shall institute and/or maintain and continue to employ in every manner all such systems of check and control, accounting and clerical procedures and methods of conducting their Business as has been represented to the Insurer(s) by the Insured but the Insured may:

- (cxxxii) (a) change the remuneration, conditions of service, duties and position of any Employees;
- (cxxxiii) (b) make such other changes as are approved beforehand in writing by the Insured's auditors.

INFIDXB4 (cont.)	<p>Notwithstanding the above, the Insurers hereby agree that the indemnity afforded in terms of this endorsement shall not be invalidated in the event of a breach or non-compliance with this condition if such breach or non-compliance occurs without the knowledge or consent of the Insured or of the Insured's management.</p> <p><b>Deduction From Loss</b></p> <p>In the event of any claim being made under this endorsement, the Insured shall to the extent allowed by law retain all salary, commission, moneys or assets; the property of any Employee in respect of whom a claim is made which may be in or come into the Insured's hands or under his control and shall apply the same towards making good the amount of any default due to acts insured against under this endorsement. However if the total loss to the Insured exceeds the amount recoverable under this endorsement, such retention shall be applied first to the uninsured portion of the loss.</p> <p><b>Notification of Loss</b></p> <p>In the event of the discovery by the Insured of any loss involving suspected theft or fraud, the Insured shall give notice to the Insurer(s) of such loss but may, notwithstanding anything to the contrary contained in Condition 11 of the policy (headed "Precautions to prevent loss"), refrain from reporting the matter to the police but shall do so immediately should the Insurer(s) require such action to be taken.</p>
FIDELXS4	<p>DISHONEST ACTS BY EMPLOYEES (A)</p> <p>The following additional provision is added to Perils Exclusion 7(a)(i):</p> <p>Provided further that the term "dishonest acts", in relation to any of the Insured's employees, shall not be deemed to mean acts of arson or vandalism.</p>
FIDELCAS4	<p>DISHONEST ACTS BY EMPLOYEES (B)</p> <p>Perils Exclusion 7 is deleted:</p> <p>The following additional Perils Exclusion shall apply to Sections 1 and 2:</p> <p>The Insurer(s) shall not be liable under Sections 1 and/or 2 in respect of:</p> <p>physical loss, destruction or damaged occasioned by or happening through:</p> <p>(a)(i) fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting, data corruption, unauthorised amendment of data and erasure by electronic or non-electronic, means involving the Property Insured by the Insured or any employee(s) of the Insured acting alone or in collusion with any other person(s);</p> <p>The term "dishonest acts", in relation to any of the Insured's employees, does not include acts of arson or vandalism."</p> <p>(cxxxiv) (ii) access by any person(s) other than the Insured or the Insured's employee(s) to the Insured's computer system via data communication media that terminate in the Insured's computer system.</p> <p>"Provided that this exclusion shall not apply to theft consequent upon forcible and violent entry upon premises or felonious concealment upon premises committed by an employee of the Insured;"</p> <p>(b)(i) the cessation of work whether total or partial;</p> <p>(ii) the cessation, interruption or retarding of any process or operation, as a result of strikes, labour disturbances or locked out workers.</p> <p>Provided that Perils Exclusion 7 (b) (i) and 7 (b) (ii) shall not apply in respect of physical loss, destruction or damage directly caused by strikers, locked out workers or similar persons;</p> <p>(cxxxv) (c) erosion, subsidence, earth movement or collapse resulting therefrom;</p> <p>(cxxxvi) (d) kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt thereat</p> <p>"Provided that this exclusion 7 (a) to (d) shall not apply to subsequent loss, destruction or damage to the Property Insured occasioned by a peril (not otherwise excluded) resulting from any event or peril referred to in this exclusion;"</p>
HACKEXS4	<p>THEFT OR DAMAGE BY HACKERS</p> <p>Perils Exclusion 7 (a) (ii) is deleted and Basis of Settlement Clause (e) is extended to include costs and expenses incurred to change passwords.</p>

SLUMPXB4	<p>SUBSIDENCE</p> <p>Perils Exclusion 7(c) is deleted and the policy is extended to include subsidence of the site (not being the bedding-down of new structures), earth movement, landslip, erosion or collapse resulting therefrom, excluding:</p> <p>(cxxxvii) (i) all loss or damage if signs of subsidence, earth movement, landslip or erosion were apparent before the commencement of this insurance,</p> <p>(cxxxviii) (ii) coastal erosion,</p> <p>(cxxxix) (iii) the settlement of newly made-up ground,</p> <p>(cxl) (iv) loss for which compensation is provided by legislation,</p> <p>(cxli) (v) destruction of or damage to paths, paved areas, drives, fences, gates, boundary and retaining walls unless an insured building is destroyed or damaged at the same time,</p> <p>(cxlii) (vi) 5% of the limit of liability by Section 1 or the first \$1,000, whichever is the greater, of each and every loss.</p> <p>The liability of the Insurer(s) shall be limited to the amount of the sub-limit stated in the schedule of the policy against "Subsidence" for any one loss or series of losses arising out of any one event or occurrence at any one location.</p>
SUBSDVS4	<p>SUBSIDENCE CAUSED BY SEISMOLOGICAL DISTURBANCE</p> <p>Perils Exclusion 7(c) is extended to include the following provision:</p> <p>Provided that this exclusion 7(c) shall not apply if Damage is caused by or arises out of an earthquake or seismological disturbance.</p>
DEPRNXB4	<p>DEPRECIATION OF UNDAMAGED STOCKS</p> <p>Notwithstanding the provisions of Perils Exclusion 9 concerning depreciation in the value of stock, the policy extends to include loss sustained by the Insured resulting from depreciation in value of undamaged raw materials, work in progress or finished goods, due solely to the Insured's inability to process raw materials and/or work in progress or to transport finished goods following damage to Property Insured. The amount payable as indemnity hereunder shall be the amount by which the price at which the Insured would have sold the finished goods exceeds the proceeds of any sale of raw materials and/or work in progress and/or finished goods as scrap, less production costs saved. Provided that the liability of the Insurer(s) shall be limited to the amount of the sub-limit stated in the schedule of the policy against "Depreciation of Undamaged Stocks" for any one loss or series of losses arising out of any one event or occurrence at any one location.</p>
<p>LNDVLXB4</p> <p><i>(continued on following page)</i></p>	<p>LOSS OF LAND VALUE</p> <p>Notwithstanding the provisions of Perils Exclusion 9 and Property Exclusion 8:</p> <p>(a) In the event of the absolute refusal by the competent local or government Authority to allow the reconstruction of the Premises following destruction or damage, the Insurer(s) shall pay by way of indemnity the amount of excess of the Land Value before over the land value after the destruction or damage to improvements,</p> <p>or</p> <p>(b) in the event of the competent local or government Authority allowing only partial reconstruction of the Premises after destruction or damage, the Insurer(s) shall pay by way of indemnity the deficiency between the Land Value after such reconstruction and the Land Value before the destruction or damage, less any sum paid by way of compensation by such Authority arising out of the action referred to in (a) or (b) above.</p> <p>The liability of the Insurer(s) shall be limited to the sub-limit stated in the schedule of the policy against "Loss of Land Value" for any one loss or series of losses arising out of any one event or occurrence at any one location.</p> <p style="text-align: center;"><u>Definition</u></p> <p>LAND VALUE The sum certified by the Valuer General as being the value of the land so described in the policy after due allowance has been made for variations in or other circumstances affecting such value either before or after the damage or which would have affected the value had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the true Land Values pertaining both before and after the damage.</p>
<p>LNDVLXB4</p> <p><i>(cont.)</i></p>	<p style="text-align: center;"><u>Special Conditions</u></p> <p>1. Settlement shall be made following the ruling of the competent local or government Authority resulting in the loss of land value. Should settlement have been made however and subsequently</p>

	<p>the ruling of the competent local or government Authority be changed prior to completion of the reconstruction, resulting in an increase in the Land Value, that part of the claim paid in excess of the revised Land Value shall be refunded to the Insurer(s).</p> <p>2. All differences relating to the Land Value arising out of the policy shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the _parties and in case the two registered valuers do not agree, of a third valuer, appointed by the President of the Australian Institute of Valuers as an expert, whose decision shall be binding.</p>
IRISHXB4	<p><b>DAMAGE IN NORTHERN IRELAND</b></p> <p>Damage in Northern Ireland caused by or happening through or in consequence of:</p> <p>(a) civil commotion,</p> <p>(b) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any Unlawful Association.</p> <p>"Unlawful Association" means any organisation which is engaged in Terrorism and includes an organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973. "Terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.</p> <p>In any action, suit or other proceedings where the Insurers allege that by reason of the provisions of this exclusion any Damage is not covered by the policy, any burden of proving that such Damage is covered shall be upon the Insured.</p> <p>This overriding exclusion applies to the policy and to any endorsement, whether such endorsement is issued before or after this overriding exclusion, except only if any endorsement issued hereafter expressly cancels this overriding exclusion.</p>
MEMOSAH4	<p><b>MEMORANDA APPLICABLE TO ALL SECTIONS</b></p> <p>(This is a sub-heading. For use whenever you need to endorse Memoranda Applicable to All Sections).</p>
LETGOVS4	<p><b>AMOUNT OF POLICY NOT REDUCED BY LOSS</b></p> <p>The Memorandum under this heading is amended to commence with the words "Unless the Insured requests otherwise".</p>
TOPUPXS4	<p><b>AUTOMATIC REINSTATEMENT</b></p> <p>The Memorandum applicable to all Sections and headed "Amount of Policy Not reduced by Loss" is amended to read:</p> <p>The Insurance under each section and/or 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 upon request by the Insurer(s) of a pro-rata additional premium calculated on the amount of the loss settlement at the rate(s) agreed for the Period of Insurance.</p>
EVNTAXB4	<p><b>EVENT</b></p> <p>The memorandum to Sections 1 and 2 under this heading is extended to include the following perils in addition to Earthquake:</p> <p>(cxliii) (a) Storm and Tempest, Rainwater, Flood</p> <p>(cxliv) (b) Subterranean Fire, Volcanic Eruption</p>
EVNTBXS4	<p><b>EVENT (B)</b></p> <p>The memorandum applicable to all Sections and headed "Event" is deleted and replaced by the following memorandum applicable to Section 1 only:</p> <p><b>DAMAGE OVER A PERIOD OF TIME</b></p> <p>All loss, destruction or damage which occurs during any period of seventy-two (72) consecutive hours and which is caused by an earthquake, volcanic eruption, subterranean fire or atmospheric disturbance shall be considered for the purpose of the application of any Limit and Sub-Limit of Liability and of the Deductible as resulting from the one event. Each period shall be deemed to have commenced on the first happening of any such loss, destruction or damage which does not occur within any prior period of seventy-two (72) consecutive hours. This memorandum shall apply to any of these causes whether continuous or sporadic in their sweep or scope and whether the loss, destruction or damage was due to the same seismic, volcanic or atmospheric condition.</p>
EVNTCVS4	<p><b>EVENT (C)</b></p> <p>The Memorandum applicable to all Sections and headed "EVENT" is amended to read:</p>



	<p>Only for the purpose of the application of any deductible: all loss, destruction or damage resulting from earthquake, volcanic eruption, subterranean fire or atmospheric disturbance occurring during each period of 72 consecutive hours shall be considered as one event whether continuous or sporadic in its sweep and/or scope and whether the loss, destruction or damage was due to the same seismological or meteorological conditions.</p> <p>Each event shall be deemed to have commenced on the first happening of any such loss, destruction or damage, not within the period of any previous event.</p>
STOREXB4	<p><b>STORAGE AGREEMENTS</b></p> <p>When the Insured enters into a contract for storage of property and the terms of the contract contain a disclaimer clause, then the insurance provided by the policy shall not be prejudiced by the Insured agreeing to such terms. The Insured's officer responsible for insurance shall, upon becoming aware of such a contract, inform the Insurer(s) as soon as is reasonably practicable and the Insured shall pay a reasonable additional premium if required by the Insurer(s).</p>
LEASEXB4	<p><b>LEASED BUILDING AGREEMENTS</b></p> <p>When the Insured enters into a lease agreement for occupancy of any building or part of a building and the terms of the lease contain a disclaimer clause in favour of the lessor, then the insurance provided by the policy shall not be prejudiced by the Insured agreeing to such terms. The Insured's officer responsible for insurance shall, upon becoming aware of such an agreement, inform the Insurer(s) as soon as is reasonably practicable and the Insured shall pay a reasonable additional premium if required by the Insurer(s).</p>
NOSUBVS4	<p><b>PUBLIC AUTHORITIES, STORAGE, LEASE AND HIRE AGREEMENTS</b></p> <p>The Memorandum headed "Subrogation Waiver" is extended to include the following clause: The Insured may, without prejudicing its position under this Policy:</p> <ol style="list-style-type: none"> <li>1. release any statutory governmental, semi-governmental or municipal authority from any liability if required by any contract to do so,</li> <li>2. agree to enter into a contract for storage of goods or merchandise even if the terms of the contract include a disclaimer clause,</li> <li>3. agree to enter into a lease for occupancy of any building or part of a building or a lease or hiring of property where the terms of the lease or hiring include a disclaimer clause in favour of the lessor or the owner.</li> </ol>
AGREEXB4	<p><b>CONTRACTUAL AGREEMENTS</b></p> <p>When in the ordinary course of business the Insured enters into a contractual agreement which provides that the Insured shall indemnify and/or hold harmless and/or release from liability another party in respect of damage which may occur as a result of any cause or event insured by the policy, this insurance shall not be prejudiced by the Insured entering into such agreement and the indemnity and/or hold harmless provisions and/or release from liability shall be equally binding upon the Insurer(s). The Insured's officer responsible for insurance shall, upon becoming aware of any such agreement, inform the Insurer(s) as soon as is reasonably practicable and the Insured shall pay a reasonable additional premium upon request by the Insurer(s).</p>
PTNERXB4	<p><b>SUBROGATION WAIVER (PARTNERS)</b></p> <p>The wording of the memorandum to all Sections, headed "Subrogation Waiver", is amended to read: The Insurer(s) agree(s) to waive any rights and remedies or relief to which it/they may become entitled by subrogation against:</p> <ol style="list-style-type: none"> <li>(a) any Insured named or described by this policy (including its directors, partners, officers, employees or servants);</li> <li>(b) any corporation or organisation (including its directors, officers, partners, 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.</li> </ol>
TNANTXB4	<p><b>SUBROGATION WAIVER (TENANTS AND LESSEES)</b></p> <p>The wording of the memorandum to all Sections, headed "Subrogation Waiver", is extended to include the following paragraph: any tenant or lessee of premises owned or managed by the Insured.</p>
SUBBYXB4	<p><b>SUBROGATION WAIVER (CONTRACTORS AND SUBCONTRACTORS)</b></p> <p>The wording of the memorandum to all Sections, headed "Subrogation Waiver", is extended to include</p>

	<p>the following paragraph:</p> <p>any contractor or subcontractor to the Insured, unless the Insured expressly agrees to the pursuit of recovery action against that contractor or subcontractor.</p>
OTHERXB4	<p>SUBROGATION WAIVER (OTHER INTERESTED PARTIES)</p> <p>The wording of the memorandum to all Sections, headed "Subrogation Waiver", is extended to include the following paragraph:</p> <p>any party described in the memorandum to Section 1, headed "Interests of Other Parties", unless the Insured expressly agrees to the pursuit of recovery action against that party.</p>
ADJPMXB4	<p>ADJUSTMENT OF PREMIUM</p> <p>The memorandum to all Sections, headed "Adjustment of Premium" is extended to include the following clause:</p> <p>(f) If any claim paid or payable under Section 1 and/or 2 of the policy in respect of Damage occurring during the Period of Insurance is reduced due to under-insurance in accordance with the provisions of a Co-insurance or Average clause or clauses, the Insurer(s) shall waive any additional premium for that Period of Insurance, which would otherwise be payable in accordance with this memorandum.</p>
ADJGRXB4	<p>PREMIUM ADJUSTMENT - GROSS RENTALS</p> <p>Provisions (a)(ii) and (b)(ii) of the "Adjustment of Premium" memorandum are amended to read:</p> <p>(cxliv) (a)(ii) estimated amount of Gross Rentals, and (cxlvi) (b)(ii) the amount of Gross Rentals received, in accordance with the cover afforded in the respective item of Section 2, in the course of the Business during the most recent accounting period of twelve months ending on or prior to the date of expiry of the Period of Insurance.</p>
GRADJXB4	<p>PREMIUM ADJUSTMENT - GROSS REVENUE</p> <p>Provisions (a)(ii) and (b)(ii) of the adjustment of premium memorandum are amended to read:</p> <p>(cxlvii) (a)(ii) estimated amount of Gross Revenue, (cxlviii) and (cxlix) (b)(ii) the amount of Gross Revenue received, in accordance with the cover afforded in the respective item of Section 2, in the course of the Business during the most recent accounting period of twelve months ending on or prior to the date of expiry of the Period of Insurance.</p>
ACQPRXS4	<p>DECLARATIONS OF ACQUIRED PROPERTY</p> <p>The following paragraph is added to the Adjustment of Premium Memorandum, at the end of paragraph (b):</p> <p>The Insured shall also make such declarations to the Insurer(s) under paragraph (b) (i) in respect of acquisitions of Property Insured, provided that no such declaration shall be required upon acquisition when the value of the acquisition does not exceed the percentage, stated in the Schedule against "Declarations of Acquired Property", of the Insured's total declaration of value under Section 1 as at the commencement of the Period of Insurance.</p>
ADJSTXB4	<p>LOSS ADJUSTER</p> <p>It is agreed that whenever a professional loss adjuster's services are required, the Insurer(s) will appoint <i>insert name of loss adjusting firm</i> to assess and report on the Insured's claim.</p>
AUTHRXB4	<p>AUTHORSHIP</p> <p>The policy wording, including all attachments thereto by way of schedules, specifications, definitions, clauses, warranties, conditions, endorsements or otherwise, is to be construed at all times as having been drawn up solely by the Insurer(s).</p>
UPLIMXS4	<p>PRECEDENCE OF SUB-LIMITS</p> <p>If more than one Sub-Limit of Liability applies to any one loss or series of losses arising out of any one event at any one Situation, such Sub-Limits shall not be aggregated; the higher amount shall apply.</p>
LEADAXB4	<p>LEADING INSURER (A)</p> <p>The Insurer(s) agree to any amendment to the terms and wording of this Policy, increases in limits hereon up to 10% of the amounts existing at the time of the increase and negotiation of and settlement of claims hereunder by the Leading Insurer, who is deemed to be authorised on behalf of all other Insurers participating hereon. The Insurer(s) hereby accept and agree to follow the Leading Insurer's decision, subject to notification as soon as practicable thereafter.</p>

LEADBXB4	<p>LEADING INSURER (B)</p> <p>The Insurers hereby acknowledge that the Insurer named first in the attestation clause of the policy is the representative of the other Insurers for all purposes connected with this Policy; which appointment shall not be revoked during the currency of the policy. Any notice given to or received by the first-named Insurer shall be deemed to have been given to and received by all of the other Insurers, subject to notification to all other Insurers as soon as practicable thereafter.</p>
LEADCXS4	<p>LEADING INSURER (C)</p> <p>The Leading Insurer is the insurer named first in the Schedule if there is more than one Insurer. Each other Insurer named in the Schedule agrees to accept the same terms and conditions as the Leading Insurer and authorises the Leading Insurer to act on behalf of all the named Insurers for all purposes connected with this Policy and, without limiting the generality of the foregoing:</p> <p>(cli) (a) to accept all notices required under the Policy,</p> <p>(cli) (b) to interpret the meaning or intention of any word, expression, exclusion or condition of the Policy,</p> <p>(clii) (c) to accept increases in any Limit of Liability of the Policy up to <i>[Insert percentage number]</i> % of the Limit of Liability existing at the time of the increase,</p> <p>(cliii) (d) to accept or reject amendments to the wording of the Policy,</p> <p>(cliv) (e) to renegotiate terms commensurate with any change in the risk,</p> <p>(clv) (f) to appoint loss adjusters and solicitors and approve payment of their fees,</p> <p>(clvi) (g) to negotiate and approve claims under the Policy up to <i>[\$[Insert dollar amount here]</i> (Australian currency) in respect of each claim or series of claims arising out of any one event. This authority does not extend to ex gratia or similar payments.</p> <p>(clvii) (h) to initiate and settle subrogation actions.</p> <p>The exercise of any authority contained above does not make the Leading Insurer liable for the proportion of any claim or fee due from any of the other named Insurers.</p> <p>Subject otherwise to all the terms and conditions of the Policy and to notification of each alteration as soon as practicable thereafter, each other Insurer named in the Schedule agrees to accept and be bound by the decisions of the Leading Insurer.</p>
RENWLXB4	<p>RENEWAL</p> <p>Insurers agree to hold covered pending renewal for 90 days from expiry of each Period of Insurance unless the Insured notifies to the contrary.</p>
NAPOLXB4	<p>TENANTS' AND NEIGHBOURS' LIABILITY</p> <p>Where the Property is located in a country which is subject to the Napoleonic or similar civil code, the Insurer(s) shall be liable for:</p> <p>(a) tenants' liability, being those financial consequences of the liability which the Insured may incur as tenant, in respect of insured material damage under articles of any civil code:</p> <p>(b) neighbours' liability, being those financial consequences of the liability which the Insured may incur under articles of any civil code for any insured material damage to the property of neighbours and co-tenants.</p> <p>(c) tenants' claims against the landlord, being those financial consequences of the liability incurred under articles of any civil code by the latter for any insured material damage caused to the property of the said tenants, as a result of constructional defects or lack of maintenance.</p>
CONALLH4	<p>CONDITIONS APPLICABLE TO ALL SECTIONS</p> <p>(For use whenever you need to endorse Conditions Applicable to all Sections)</p>
MFACTVS4	<p>MISREPRESENTATION AND NON-DISCLOSURE</p> <p>Condition 1 is deleted.</p>
UNDISXB4	<p>MISDESCRIPTION, NON-DISCLOSURE AND ALTERATION</p> <p>Condition 1 of the policy is extended to include the following paragraph:</p> <p>Notwithstanding the provisions of Conditions 1 and 2, the Insured shall not be prejudiced by any unintended and/or inadvertent error, omission or misdescription of the risk, interest or property insured under the policy, incorrect declaration of value, failure to advise the Insurer(s) of any change of risk, interest or property insured or failure to comply with any statutory requirement, provided that the Insured's officer responsible for insurance shall, upon becoming aware of any such unintended and/or inadvertent act, error or omission, inform the Insurer(s) as soon as reasonably practicable and that the Insured shall, upon request, pay any reasonable extra premium to Insurer(s) from the date of the increase in risk.</p>

ALTERVS4	<p>ALTERATION (A)</p> <p>Condition 2 is extended to include the following additional provision:</p> <p>Provided further that paragraphs ( a) and (b) of this Condition 2 shall not apply if such alteration(s) are neither known to nor made by an officer of the Insured who is responsible for Insurance.</p>
ALTERXS4	<p>ALTERATION (B)</p> <p>The preamble to paragraphs (a) to (d) of Condition 2 is amended to read:</p> <p>Subject to Section 54 of the Insurance Contracts Act 1984, the Insurer(s) shall not be liable for loss, destruction of or damage to any property insured hereunder caused or contributed to by any alteration after the commencement of this Policy.</p>
SPRAYXB4 <i>(continued on following page)</i>	<p>SPRINKLER INSTALLATIONS</p> <p>Condition 3 is amended as follows:</p> <p>The words "or are required by law to be protected" are deleted.</p> <p>The following paragraphs are added:</p> <p>Where the sprinklered. Premises are leased to a tenant and the lease provides that the tenant shall provide for maintenance of the installation, any failure so to do will not prejudice the rights of the Insured, provided that the Insured, upon becoming aware of the failure, shall either immediately provide for maintenance of the installation or immediately give notice in writing to the Insurer(s) and on demand pay such reasonable additional premium as the Insurer(s) may require.</p>
SPRAYXB4 <i>(cont.)</i>	<p>Where the Insured or a tenant responsible to provide for maintenance of the installation enters into an agreement for maintenance with a contractor and such agreement provides in substance that the Insured or tenant shall indemnify and/or hold harmless and/or release from liability the contractor in respect of loss, destruction or damage which may occur as a result of any peril insured against by this policy, the insurance hereby shall not be prejudiced by the Insured or the said tenant agreeing to such provision. The indemnity and/or hold harmless provision and/or release from liability shall be equally binding upon the Insurer(s), who shall waive all rights of subrogation which may have otherwise existed against the tenant.</p> <p>The Insured's officer responsible for insurance shall, upon becoming aware of such agreement, inform the Insurer(s) as soon as reasonably practicable and a reasonable additional premium will be paid if required by the Insurer(s).</p>
SPRAYVS4	<p>SPRINKLER INSTALLATIONS (B)</p> <p>Condition 3 is amended to read:</p> <p>This Condition applies to property being Property Insured in which an automatic sprinkler system is installed and which is owned by the Insured or where the Insured is responsible for the operation or maintenance of the automatic sprinkler system.</p> <p>The Insured shall ensure that the property is protected as required by law by an approved installation of automatic sprinklers, automatic external alarm signal and automatic alarm signal connected with a fire brigade station. The Insured shall exercise due diligence to ensure that any system and alarm signal are at all times maintained in good working order.</p> <p>It is a condition of this insurance that such system will be regularly maintained in accordance with Australian Standard AS 1851 (Part 3) by the installing engineers or entity or by a person or entity approved by the Insured to carry out such maintenance.</p> <p>All alterations or additions to the automatic sprinkler installation must be notified to the Insurer(s) in writing as soon as reasonably practicable.</p>
CONTBXB4	<p>OTHER INSURANCE</p> <p>Condition 4 is deleted.</p>
CANCLXB4	<p>CANCELLATION</p> <p>Condition 5 of the policy is amended to read as follows:</p> <p>Cancellation may be effected at any time by mutual agreement between the Insured and the Insurer(s). In the absence of mutual agreement, the policy may be cancelled at the request of the Insured, in which event the Insurer(s) shall be entitled to retain the customary short-period rate for the time the policy has been in force. The Insurer(s) may effect cancellation of the policy by delivering to the Insured or their brokers ninety (90) days' notice of cancellation in writing. The effective time of cancellation shall be 4.00 p.m. Local Standard Time on the ninetieth day after the notice is received by the Insured or their brokers. Upon cancellation by the Insurer(s), a refund will be made to the Insured of the proportionate</p>

	part of any premium received, in respect of the unexpired period of the policy.
CANCNXS4	<p>CANCELLATION BY THE INSURED</p> <p>Paragraph (a) of Condition 5 is amended to read:</p> <p>This Policy may be cancelled at any time at the request of the Insured, in which case the Insurer(s) will be entitled to a pro rata proportion of the premium, subject to any adjustment in accordance with the Adjustment of Premium Memorandum, for the time this Policy has been in force.</p>
PFUNDXS4	<p>PREMIUM FUNDERS</p> <p>The following paragraph is added to Condition 5:</p> <p>If the premium has been funded by a premium funding company which holds a legal right over the Policy by virtue of a notice of assignment and irrevocable power of attorney, then it is understood and agreed that, subject to Section 60 of the Insurance Contracts Act 1984, the Insurer may cancel the Policy at the request of the premium funding company, after substantiation of the debt and default in payment by the Insured has been made and proven by the Insurer, by giving the Insured not less than three working days written notice to that effect, following which a refund will be made to the premium funding company of the proportionate part of the premium applicable to the unexpired Period of Insurance.</p>
CLMSAXB4	<p>NOTIFICATION OF CLAIMS</p> <p>The words "within thirty (30) days" in Condition 6 are amended to read "as soon as practicable". The final sentence of Condition 6 is deleted.</p>
CLMSBVS4	<p>NOTIFICATION OF CLAIMS (B)</p> <p>The first paragraph of Condition 6 is amended to read:</p> <p>On the happening of any loss, destruction or damage, the Insured shall forthwith give notice thereof in writing to the Insurer(s) and shall as soon as reasonably practicable deliver to the Insurer(s) a claim in writing containing as particular an account as may be reasonably practicable of the items of property lost, destroyed or damaged and the amount of Damage having regard to their value at the time this occurred and of the amount of any claim under Section 2 of this Policy, together with details of any other insurances which may apply to the claim.</p>
CLMSCXS4	<p>NOTIFICATION OF CLAIMS (C)</p> <p>The opening words ("On the happening...") of Condition 6 are amended to read "On the discovery". The closing words ("... hereby insured".) of the first paragraph of Condition 6 are amended to read "lost, destroyed or damaged."</p>
CONNIVS4	<p>FRAUD</p> <p>Condition 7 is deleted.</p>
HAZGDXB4	<p>HAZARDOUS GOODS</p> <p>The storage of hazardous goods usual to trade and/or occupation is allowed.</p>
COND9VS4	<p>INSURERS' RIGHTS</p> <p>The words "without thereby incurring any liability" in Condition 9 are amended to read "without thereby admitting any liability".</p>
BITE1XS4	<p>ORDER OF PRIORITY - SUBROGATION RECOVERIES</p> <p>Paragraph (b) of Condition 10 is amended to read:</p> <p>Recoveries, whether effected by the Insurer or the Insured, shall be applied, net of the expense of such recovery, first to the satisfaction of the Insured's loss in excess of the claim paid under this Policy (disregarding the amount of any Deductible applicable), secondly to the Insurer as reimbursement of the amount(s) paid in settlement of the Insured's claim and thirdly to the Insured in satisfaction of any Deductible amount applicable. Recovery from re-insurance shall not be deemed a recovery for the purpose of this paragraph (b).</p>
BICOVXB4	<p>TERMINATION OF COVER UNDER SECTION 2</p> <p>Condition 13 of the policy is amended to read as follows:</p> <p>If during the currency of the policy the Insured:</p> <ol style="list-style-type: none"> <li>(a) permanently discontinues or ceases to carry on the Business or if the Insured's proprietary interest in the Business ceases otherwise than by death, or</li> <li>(b) (being a corporation) is placed in liquidation, provisional liquidation, under official management, under the control of a receiver and manager or if control over its assets is assumed by a receiver, or</li> </ol>

	<p>(c) (being a natural person) becomes bankrupt, then the insurance under Section 2 shall cease unless its continuance is admitted in writing by the Insurer(s).</p> <p>Such termination of cover shall not apply if any of the events stated in clauses (a), (b) or (c) are caused by loss, insured by Section 2 of the policy, resulting from interruption of or interference with the Business in consequence of Damage to property used by the Insured at the Premises.</p>
BICOVVS4	<p>TERMINATION OF COVER UNDER SECTION 2 - ALTERNATIVE B</p> <p>The words "then the insurance cover provided under section 2 of this Policy in respect of such Business or Insured shall automatically and forthwith cease" in Condition 13 are amended to read:</p> <p>then the insurance cover provided under Section 2 of this Policy in respect of such Business or part of the Business (as the case may be) shall automatically and forthwith cease unless otherwise agreed in writing by the Insurer(s).</p>
BREAKXB4	<p>BREACH OF CONDITIONS</p> <p>Any breach of a condition without the knowledge or consent of the Insurance Officer of the Insured shall not prejudice or invalidate this insurance provided that due diligence is exercised at all times by the Insured.</p>
PAYGOVS4	<p>PROGRESS PAYMENTS</p> <p>The words "may be made" in Condition 15 are amended to read "shall be made".</p>
CURRAXB4	<p>CURRENCY (A)</p> <p>The currency applicable to this policy shall be Australian dollars. When conversion from or to any other currency is required, the exchange rate applicable shall be:</p> <p>(clviii) (a) in respect of claims; the market rate at the time of settlement, and</p> <p>(clix) (b) in respect of premiums; the market rate at inception of the Period of Insurance.</p>
CURRBXS4	<p>CURRENCY (B)</p> <p>The currency applicable to this Policy shall be Australian dollars. When conversion from or to any other currency is required, the exchange rate applicable shall be:</p> <p>(clx) (a) in respect of claims, the market rate at the time of settlement,</p> <p>(clxi) (b) in respect of premiums, the market rate at the time of payment by the Insured,</p> <p>(clxii) (c) in respect of declared values, the market rate at the date on which such declarations are made in accordance with the Adjustment of Premium Memorandum.</p> <p>Provided that for the purpose of the application of the Co-insurance clauses in Sections 1 and 2 of the Policy to any claim, the exchange rate applicable to the declared values shall be the market rate at the time of settlement of the claim.</p>
LTAGRXS4	<p>LONG TERM AGREEMENT</p> <p>A reduced premium for this Policy is allowed in consideration of the Insured having signed an undertaking with effect from <i>[insert inception date]</i>. to offer annually for three years the insurance under this Policy on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premium annually in advance. It is understood that the Insurer shall be under no obligation to accept an offer made in accordance with the said undertaking.</p> <p>The said undertaking shall apply to any policy or policies which may be issued by the Insurer within the said period of three years in substitution for this Policy and the same premium reduction shall be allowed by the Insurer.</p>
REPROXB4	<p>REPRESENTATION OVERSEAS</p> <p>In each territory outside Australia to which this policy applies, the Insurer (or if there is more than one Insurer, any one of the Insurers represented there and authorised by the Insured) or its accredited representative shall act on behalf of the Insurer(s) of this policy and shall issue a local policy in that territory if necessary. All such policies shall be subordinate to this policy except to the extent that the terms and conditions of any such policy are wider in scope than this policy.</p>
DICONXB4 (continued on following page)	<p>DIFFERENCE IN CONDITIONS</p> <p>Subject to the limitations expressed elsewhere in this policy and in this memorandum, loss sustained by the Insured in any nominated territory outside Australia in which the Insured carries on business shall be covered by this policy:</p> <p>(clxiii) (a) when no local Material Damage and/or Business Interruption policy/ies protecting the Insured's interests are in force, and</p>

	<p>(clxiv) (b) to the extent that the amount recoverable under the local Material Damage and/or Business Interruption policy/ies is less than the loss sustained by the Insured, whether due to the application, exhaustion or aggregation of any limit of liability, sum insured or Indemnity Period or the application of a Co-insurance or Average clause or condition, and</p> <p>(clxv) (c) when the terms and conditions set forth in this policy are broader in meaning and/or scope than those contained in any other policy or policies issued to comply with local statutory requirements or to provide local coverage underlying this policy.</p> <p>Unless prior consent is given by the Insurer(s) of this policy and any such local policies issued by the accredited representative(s) of the Insurer(s) of this policy shall be renewed without restrictive coverage.</p>
DICONXB4 (cont.)	<p>In respect of any claim payable under this memorandum, the Insured shall bear as a self-deductible under this policy and any underlying local policy.</p> <p>This memorandum shall apply to the nominated territories beyond Australia states in the schedule of this policy and it is agreed that the local coverage shall be maintained in all such territories except those marked (a), in the Schedule to which clause (a) of this memorandum shall apply.</p>
JURISXB4	<p><b>JURISDICTION</b></p> <p>Except as otherwise specifically indicated elsewhere in this policy, any dispute concerning interpretation of the terms, conditions, limitations and/or exclusions of this policy shall be subject to Australian law, unless any other legal code shall be mutually agreed between the Insured and the Insurer(s) as more appropriate.</p> <p>Each party hereby agrees to submit to the jurisdiction of any Court of competent jurisdiction within Australia (unless any other jurisdiction shall be mutually deemed by the Insured and the Insurer(s) as more appropriate) and will comply with all requirements necessary to give such Court jurisdiction and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.</p> <p>Service of process in such suit in a territory outside Australia may be made upon the accredited representative of the Insurer(s) in that territory, who is duly authorised to accept service of process on behalf of the Insurer(s) of this policy.</p> <p>It is further agreed that in any suit instituted against any one Insurer upon this policy, the Insurers will abide by the final decision of such Court or of any Appellate Court in the event of an Appeal.</p> <p>At the request of the Insured, the person authorised to accept service of process shall give a written undertaking to the Insured that he will enter a general appearance upon behalf of the Insurer(s) in the event such suit shall be instituted.</p> <p>Further, pursuant to any statute of any state, territory or district of the United States of America which so provides, the Insurers of this policy hereby designate the Superintendent, Commissioner or Director of Insurance or other successors in office as their true and lawful attorney, upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured arising out of this contract of insurance and hereby designate their accredited representative in the United States of America as the person to whom that officer is authorised to mail such process or a true copy thereof.</p>
FIREONLY4	<p><b>FIRE AND PERILS ONLY ENDORSEMENT</b></p> <p>Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that damage means physical loss, damage or destruction caused by or arising out of fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact, the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe, storm and/or tempest and/or rainwater and/or wind and/or hail, water or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or any other system at the premises or elsewhere.</p>
FIREGONE4	<p><b>FIRE AND PERILS EXCLUSION ENDORSEMENT</b></p> <p>Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that damage means physical loss, damage or destruction <b>other than that</b> caused by or arising out of fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact, the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe, storm and/or tempest and/or rainwater and/or wind and/or hail, water or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or any other system at the</p>

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premises or elsewhere.

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