

Allianz Insurance Advisernet Business Pack Policy Document

Comparison between old PDS and new Policy Document

June 2009



New Allianz Insurance Advisernet Business Pack

This document provides a comparison of the cover provided by the new Insurance Advisernet Business Pack Policy Document (POL402BA/IAA 05/09) compared to the old Insurance Advisernet Business Pack PDS (POL125BA/IAA 12/07) and the effect on cover.

The cover shown for the new Insurance Advisernet Business Pack product is a summary only. Please refer to the policy wording for a detailed description of the cover provided.

↑ = increase in cover ↓ = decrease in cover

no change = no change in cover



Product Make Up

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|-------------------------|---------------------------------------|---|------------------|
| Defined terms | Defined terms are in <i>italics</i> | Defined terms are in Upper Case | no change |
| Section Headings | Fire – Gold | Fire – Gold (Fire and Perils) | no change |
| Section Headings | Business Interruption – Income | Business Interruption – Income (Consequential Loss of Profits/Revenue Protection) | no change |
| Section Headings | Business Interruption – Weekly Income | Business Interruption – Business Income Protection (Weekly) | no change |
| Section Headings | Liability | Public and Products Liability | no change |
| Section Headings | Burglary | Theft | no change |
| Section Headings | Business Special Risks | General Property | no change |
| Section Headings | Engineering Plant | Machinery Breakdown | no change |
| Section Headings | Electronic Equipment | Computer/Electronic Equipment | no change |
| Section Headings | Employee Fraud | Employee Dishonesty | no change |


Statutory Notices

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|-----------------------------------|---|------------------|
| Information on this Product Disclosure Statement (PDS) | Included | Not included as document is no longer a PDS | no change |
| Duty of Disclosure | | Amended to Allianz standard text | no change |
| Non-Disclosure or Misrepresentation | | Deleted, intent is repeated within 'Duty of Disclosure' | no change |
| Privacy | | Amended to Allianz standard text | no change |
| General Insurance Code of Practice | | Amended to Allianz standard text | no change |
| Dispute Resolution | | Amended to Allianz standard text | no change |

General Definitions

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|-------------------------------------|---------------------------------------|---|---|
| Building | Not included | Includes car parks |  |
| Contents | Means all contents.... | Specifically includes plant & machinery and tenant's leasehold improvements (as they have been removed from Categories of Property within Fore section) | no change |
| Money | Not included | Includes "phone cards, stored value cards and other like items of value" |  |
| North America | "state" and "territory" in lower case | "State" and "Territory" in upper case for consistency with definition of "Australia" | no change |
| We, Us, Our You, Your, Yours | Defined within intro | Defined within General definitions | no change |

Our Agreement

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|--|--|---|
| Approved Claim Preparation Costs | 'provide that before You incur these claim preparation costs You obtain Our written approval to incur these costs' | 'provide that before You incur these claim preparation costs You obtain Our written approval to incur these costs, to which We agree not to unreasonably withhold consent' | no change |
| Payment of rewards | Not covered | \$5,000 for public reward paid by the insured to recover property or identify offenders |  |

General Exclusions

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|-----------------------------|--|--|-----------------|
| Unoccupied Buildings | Exclusion doesn't apply to damage caused by lightning, earthquake or subterranean fire | Exclusion doesn't apply to damage caused by lightning, earthquake or subterranean fire, and impact | ↑ |
| Asbestos | General exclusion | Liability exclusion | no change |
| Pollution | General exclusion | Liability exclusion | no change |

General Terms and Conditions

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|-----------------------------------|---|-----------------|
| Non-Disclosure or Misrepresentation | General condition | Deleted, intent is repeated within 'Duty of Disclosure' | no change |
| Complaints and Disputes Resolution Process | General condition | Text amended and moved to Introduction section | no change |
| Privacy | General condition | Text amended and moved to Introduction section | no change |
| Terrorism Insurance Act | We have reinsured our liability | We may elect to reinsure part or all of Our liability | no change |

Fire – Gold (Fire and Perils)

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|---|--|---------------------|
| Definitions | Declared Value | No longer defined or used, replaced with Sum Insured through Fire section | no change |
| Definitions | Limit of Liability | No longer defined or used, replaced with Total Sum Insured through Fire section | no change |
| Excluded Property 6. motor vehicles | All registered motor vehicles excluded | Registered vehicles excluded other than: a) mobile plant and equipment b) Stock | ↑ |
| Excluded Property 10. Standing timber, etc | No write-back for potted plants | Potted plants are not excluded property | ↑ |
| Extension of Cover A preamble – Catastrophe | Including allowance for any increase provided under Extensions of Cover A, 1. Catastrophe | In addition to any allowance for any increase provided under Extensions of Cover A, 1. Catastrophe | Clarifies intention |
| Extension of Cover A – 10. Expediting expenses | Not covered | 50% of repair cost or \$25,000 whichever is the lesser | ↑ |
| Extension of Cover C – 2. New Premises | Silent | Underinsurance clause not to apply | Clarifies intention |
| Extension of Cover C – 6. Seasonal Increase | Maximum of 116 days and refers to 'Seasonal or Festive Increase' in the Schedule | Maximum of 126 days and refers to 'Seasonal Increases Period' in the Schedule | ↑ |

Business Interruption – Income (Consequential Loss of Profits/Revenue Protection)

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|---|---|----------------------------|
| Definitions – Additional Uninsured Working Expenses | Additional Uninsured Working Expenses | Uninsured Working Expenses | no change |
| Definitions – Income | Not included | Includes 'Government approved incentives, subsidies or market development allowances' | ↑ |
| Definitions – Indemnity Period | "...During which the productivity of Your Business is affected..." | "...During which the results of Your Business are affected..." | no change |
| Definitions – Rate of Payroll | Not defined | Defined | ↑ |
| Definitions – Severance Pay | Not defined | Defined | ↑ |
| Basis of Settlement 1. Loss of Income | Adjusted to take into account any "savings....that reduce the normal cost of running Your Business" | 'normal' removed.....adjusted to take into account any "savings...that reduce the cost of running Your Business" | no change |
| Basis of Settlement 2. Additional Expenditure | | Includes the words "and/or resuming and/or maintaining Your normal Business operations or services" | no change |
| Basis of Settlement 3. Payroll | Doesn't include severance pay | Severance pay included | ↑ |
| Limitations of Cover 3. Underinsurance | Applies regardless of amount claimed | Doesn't apply if claim is less than 10% of Sum Insured | ↑ |
| Limitations of Cover 5. Time Excess (Computers) | | Time excess deleted | ↑ |
| Extensions of Cover 3. Other Premises and Property – Unspecified Suppliers | Your suppliers | Your suppliers of goods, materials or services other than those services supplied by Public Utilities | Clarifies intention |
| Extensions of Cover 3. Other Premises and Property – Unspecified Customers | Property at the premises of any of Your customers and clients | Property at the premises of any of Your customers and clients or at work sites when Your Business entails work away from Your Premises | Clarifies intention |
| Optional extensions of Cover – Additional Increase in Cost of Working | Additional Increase in Cost of Working | Additional Increased Cost of Working, and includes the words "and/or resuming and/or maintaining Your normal Business operations or services" | no change |
| Optional extensions of Cover – Claims Preparation | Additional Claims Preparation Costs | Claims Preparation Expenses | no change |

Business Interruption – Business Income Protection (Weekly)

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|---|--|---------------------|
| Definitions – Income | Not included | Includes 'Government approved incentives, subsidies or market development allowances' | ↑ |
| Basis of Settlement | No provision for Additional expenditure | 2. Additional expenditure included | ↑ |
| Limitations of Cover 1. Total Payment | Only limited to the number of weeks shown in the Schedule | Limited to number of weeks and Sum Insured shown in the Schedule | Clarifies intention |
| Extensions of Cover 3. Other Premises and Property – Unspecified Suppliers | Your suppliers | Your suppliers of goods, materials or services other than those services supplied by Public Utilities | Clarifies intention |
| Extensions of Cover 3. Other Premises and Property – Unspecified Customers | Property at the premises of any of Your customers and clients | Property at the premises of any of Your customers and clients or at work sites when Your Business entails work away from Your Premises | Clarifies intention |
| Extensions of Cover – Registered Motor Vehicles | Included in 3. Other Premises and Property, and limited to 20% of Sum Insured | Included as separate extension and not limited | ↑ |
| Extensions of Cover – 6. Prevention of Access by a Public Authority | Within a 20km radius of the Premises | Within a 50km radius of the Premises | ↑ |
| Optional Extension of Cover – Increase in Cost of Working | Refers to Sum Insured shown in the Schedule for Increase in Cost of Working | Refers to Sum Insured shown in the Schedule for Additional Expenses | no change |

Public and Products Liability

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|---|---|-----------------|
| Definitions | Limit of Liability | No longer defined or used – replaced with Limit of Indemnity | no change |
| Definitions | Electronic Data defined | No longer defined | no change |
| Definitions | Not defined | Computer Virus defined | no change |
| Definitions | Not defined | Internet Operations defined | no change |
| Exclusion 3. Property in Physical or Legal Control | | Order of write backs (c) and (d) switched | no change |
| Exclusion 10. Watercraft | Liability excluded in connection with “any watercraft exceeding 8 metres in length” | Liability excluded in connection with “the operation, ownership, possession or use by You or on Your behalf of any Watercraft exceeding 8 metres” | ↑ |

Public and Products Liability cont...

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|--|--|-------------------------------------|------------------|
| Exclusion 12. Advertising Liability | | Pre-amble changed | no change |
| Exclusion 15. Construction | Exclusion applies to any building, structure, plant or equipment | Exclusion only applies to buildings | ↑ |
| Asbestos exclusion | General exclusion | Liability exclusion | no change |
| Pollution exclusion | General exclusion | Liability exclusion | no change |

Theft

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|---|---|------------------|
| Categories | Includes All contents excluding stock, stock including goods for which you are responsible but excluding Cigarettes and Tobacco Goods | These categories removed as not available on Allianz system | no change |
| Categories | All contents; cigarettes and tobacco goods | Amended to All contents excluding tobacco, cigars and cigarettes; and Tobacco Products | no change |
| Definitions – Safe | Not defined | Defined | no change |
| Definitions – Strongroom | Not defined | Defined | no change |
| Cover 5. locked cabinet | Not included | Included: 5. an actual visible, forcible violent entry into any locked cabinet, counter or showcase | ↑ |
| Cover | Not covered | Cost of opening safes and strongrooms covered | ↑ |
| Exclusion 4. Vehicles | Motorised vehicles excluded | Motorised vehicles, other than fork lifts or similar mobile lifting plant excluded | ↑ |
| Seasonal increase | Maximum of 116 days and refers to 'Seasonal or Festive Increase' in the Schedule | Maximum of 126 days and refers to 'Seasonal Increases Period' in the Schedule | ↑ |
| Extensions of Cover 14. Property temporarily removed | Not covered | Up to 20% of Sum Insured, 90 days cover | ↑ |

Money

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|-----------------------------|--|--|------------------|
| Cover | Options for Blanket and Specified Cover | Still available on the system, but do not print on the schedule so have been removed from the wording. | no change |
| Seasonal increase | Maximum of 116 days and refers to 'Seasonal or Festive Increase' in the Schedule | Maximum of 126 days and refers to 'Seasonal Increases Period' in the Schedule | ↑ |
| Counterfeit currency | Not covered | \$500 any one Period of Insurance | ↑ |

Money cont...

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|--|-----------------------------------|---|------------------|
| Optional Extension – Additional damage to safes and strongrooms | Optional Extension | Extension of cover 'Damage to Safes or Strongrooms' now includes the words 'or a higher limit shown in the Schedule'. | no change |

Glass

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|--|-----------------------------------|---|------------------|
| Glasshouse exclusion | All glasshouses excluded | Excludes "glasshouses, other than a conservatory or atrium" | ↑ |
| Extensions of Cover 1. Additional Benefits | Fittings | Fittings and tiled shop fronts, but with due allowance for wear and tear | ↑ |
| Optional Extension – Increased cover on Advertising Signs | Optional Extension | Extension of cover 'Advertising Signs' now includes the words 'or a higher limit shown in the Schedule' | no change |
| Optional Extension – Increased Additional Benefits | Optional Extension | Extension of cover 'Additional Benefits' now includes the words 'or a higher limit shown in the Schedule' | no change |


General Property

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|-----------------------------------|---|-----------------|
| Cover option Part B – restricted Cover | Not included | Lightning, subterranean fire, impact by aircraft have been added | ↑ |
| Excluded causes | | Certain exclusions only apply to that part of the item immediately affected | ↑ |

Machinery Breakdown

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|--|--|-----------------|
| Optional Extension of Cover A – Deterioration of Stock | Stock must be kept in Plant shown in the Schedule | Extends to cover stock kept in "temporary Plant at the Premises not exceeding 60 days" | ↑ |
| Deterioration of Stock – Seasonal Increase | Maximum of 116 days and refers to 'Seasonal or Festive Increase' in the Schedule | Maximum of 126 days and refers to 'Seasonal Increases Period' in the Schedule | ↑ |

Computer/Electronic Equipment

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|---|-------------------------------------|---|---|
| Limitations of Cover 1. Underinsurance | Applies regardless of size of claim | Doesn't apply where claim is less than 10% of Sum Insured |  |
| Optional Extensions of Cover | Optional Extensions of Cover | Optional Benefits | no change |
| Optional Extensions of Cover | The Cost of Restoring Data | Restoration of Data | no change |

Employee Dishonesty

| Item | Cover under the old Business Pack | Cover under the new Business Pack | Effect on cover |
|------------------------------------|-----------------------------------|--|------------------|
| Cover 2. (Discovery Period) | Not very clear | Discovered within a year of policy expiring, or within a year of employee leaving employment, whichever occurs first | no change |