



ABN 72 532 995 678

## **TRADES PACK POLICY**

**EFFECTIVE 10/4/06**

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## IMPORTANT INFORMATION

### PRIVACY OF YOUR INFORMATION

TIO is committed to protecting the privacy and confidentiality of your personal information. Generally, we collect personal information directly from you, however there may be times where we collect personal information from outside sources. Your personal information is collected for the primary purpose of evaluating and administering the proposed insurance or any claim, and for the secondary purpose of marketing our products and services to you. On request in most circumstances you may access personal information collected and held by TIO. You may also cancel its use for marketing purposes at any time. The information you give us may be disclosed to others such as reinsurers, professional advisors and loss adjusters. If you believe that your personal information is inaccurate or incomplete, you may request that we make any necessary corrections, additions or deletions. If you wish to receive more information on these principles please contact us.

### YOUR DUTY OF DISCLOSURE

#### What you must tell us

Before you first start this insurance, you have a duty under law to tell us about any matter that you know, or could reasonably be expected to know is relevant to our decision whether to insure you and (if so) on what terms.

You have the same duty to disclose those matters to us before you renew, change or reinstate your insurance contract. These requirements are part of the *Insurance Contracts Act 1984*.

When we ask you specific questions, you must give us honest and complete answers. The information you give us helps us to decide whether to insure you and any other person whom you want to be covered by the insurance contract, the amount of your premium and whether any special conditions apply.

#### Who needs to tell us

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

#### What you do not need to tell us

You do not need to tell us about any matter:

- that reduces the risk to be undertaken by us;
- that is of common knowledge;
- that we know, or as an insurer should know;
- when we have waived compliance with your duty.

#### What will happen if you do not tell us

If you do not comply with these obligations, we may be entitled to refuse or reduce the amount we pay you if you make a claim, or we may cancel your insurance.

If your non disclosure is fraudulent, or your answers are untruthful, we may refuse to pay a claim and treat the insurance contract as if it never existed.

If you do not understand your duty, please contact us.

## INTRODUCTION

1. The Proposal, the Certificate of Insurance, the Policy, the Schedule and any Attachments are to be read together and any word or expression to which a specific meaning has been given will bear the same meaning wherever it appears unless specifically stated otherwise. Marginal notes or headings do not form part of the Policy but are used solely for identification.
2. This Policy sets out the terms and conditions of insurance provided by Us and the operative Sections of the Policy are shown on the Schedule.
3. We ask You to read this Policy and the Schedule carefully so that You are aware of the terms and conditions and if these are not completely in accordance with Your intentions to contact Your Broker, Agent or Us.
4. Please bear in mind that no insurance policy covers everything and in those Policy Sections operative, cover is only provided against the risks stated and is subject to the terms, conditions and exclusions of the Policy.
5. It is Your responsibility to ensure adequacy of sums insured at all times and You should also re-assess these sums insured prior to renewal each year.

**INSURING AGREEMENT**

1. If You:

- carry on Your Business described in the Schedule and no other for the purpose of this insurance;
- pay the initial premium;
- pay any subsequent renewal premium in amounts We require; and
- pay any additional premium in the amounts We require,

We agree to provide You with the insurance You have selected during the Period of Insurance.

The limits of the sum insured are specified in the Schedule and We may, at Our option, settle any claim by payment, replacement, restoration or repair.

We agree to accept the designations applied by You in arriving at the respective sums insured.

2. This Policy is based upon the information provided in the proposal form signed by You and is incorporated in this contract.

Signed on behalf of the

TERRITORY INSURANCE OFFICE

.....  
(Authorised Officer)

## GENERAL DEFINITIONS APPLYING TO ALL SECTIONS OF THIS POLICY

In this Policy unless the contrary intention appears the following expressions shall have the following meanings:

**“Australia”** - the Commonwealth of Australia, its dependencies and Territories.

**“Business”** - the trade or occupation described in the Schedule carried on at and from the Site.

**“Contents”** - tools and utensils of trade, movable machinery and plant (excluding stock and merchandise) specified in the Schedule.

**“Electronic Data”** – facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

**“Excess”** - the amount specified in the Schedule, payable by You on each and every claim arising out of one event under that Policy Section.

**“Family”** - Your spouse or partner (legal or defacto) and any member of Your immediate Family permanently residing with You.

**“Period of Insurance”** - the duration of this Policy for the period specified in the Schedule, or any renewal period for which the appropriate premiums are paid.

**“Policy”** - this Policy together with any Schedule, Attachment and Endorsement.

**“Premises”** - within the confines of the buildings at the Site.

**“Property”** - contents as specified in the Schedule.

**“Schedule”** - the current Schedule of Insurance which has been numbered and issued by or on behalf of the Territory Insurance Office.

**“Site”** - the Site or location of risk specified in the Certificate of Insurance or the Schedule.

**“Terrorism”** – an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

**“We” “Us” or “Our”** - Territory Insurance Office.

**“You” or “Your”** - the insured named in the Schedule.

**SECTION A - PROPERTY (Fire and Other Insured Events Including Theft)**

**1. DEFINITIONS**

**“Flood”** - the inundation of normally dry land by water escaping from or released from the normal confines of any natural water course or lake (whether or not altered or modified) or any dam, reservoir or canal.

**“Indemnity”** – Indemnity value is the cost necessary to replace, repair or rebuild the Property insured to a condition substantially the same as but not better or more extensive than its condition at the time that the damage occurred less an allowance for depreciation and wear and tear based on the age and condition of the property at the time of the damage.

**“Money”** - means cash, notes, negotiable instruments, cheques, postal notes, post office money orders, negotiable securities and/or stamps, credit card sales vouchers and franking machine credits.

**“Sea”** - oceans, seas, bays, ports or tidal waters.

**“Water”** - includes snow, sleet or hail.

**2. COVER**

We will indemnify You, less the Excess, in respect of physical loss or damage to -

- 2.1 Your tools and utensils of trade, moveable machinery and plant and other property as specified in the Schedule (excluding stock and/or merchandise) anywhere in Australia including whilst in transit.
- 2.2 Stock in trade and/or merchandise, manufactured, unmanufactured or in the course of manufacture as specified in the Schedule, anywhere in Australia including whilst in transit, belonging to You or for which You are liable, including all stock in which You may acquire an insurable interest during the Period of Insurance.
- 2.3 Money up to \$500 or the amount specified in the Schedule.

directly caused by the following Insured Events –

**3. INSURED EVENTS**

3.1 **Fire**

3.2 **Lightning**

3.3 **Wind and/or Water Including Flood**

Wind and/or Water (including water from water mains, pipes, gutters, drains, tanks or apparatus), but excluding loss or damage -

- 3.3.1 by Sea, tidal wave, high water, storm surge, erosion, subsidence, landslip or settling;

- 3.3.2 by steam or condensation;
- 3.3.3 by Water seeping or percolating from outside the Premises;
- 3.3.4 to property in the open air unless such property comprises or forms part of a permanent structure designed to function without the protection of walls or roofs.

3.4 **Sprinkler Leakage**

- 3.4.1 Water discharged or leaking from any automatic sprinkler or drencher installation or tank connected therewith.

3.5 **Impact and/or Collision or Overturning**

Impact by or collision or overturning of:

- 3.5.1 vehicles designed for use on land;
- 3.5.2 animals, excluding animals kept on the premises;
- 3.5.3 falling trees or branches, masts, satellite dishes, antennae and aerials but not destruction or damage caused directly or indirectly by any tree lopping or removal activity arranged by you at the Site.

3.6 **Explosion**

All explosions but excluding;

- 3.6.1 damage to boilers (other than those used for domestic purposes), economisers and pressure vessels and their contents resulting from their explosion; and
- 3.6.2 damage to property which is insured by any other policy covering boiler explosion or sprinkler leakage, except for any amount beyond that payable for damage to the property under such other policy.

3.7 **Earthquake**

- 3.7.1 Earthquake, subterranean fire or volcanic eruption; or
- 3.7.2 Fire occasioned by or in consequence of earthquake, subterranean fire or volcanic eruption,

**PROVIDED THAT:**

in respect of damage occurring during any one period of 48 consecutive hours to property, buildings (which shall mean all buildings whether or not separated by roadways) and contents which are in the same ownership, at one Site and which form one establishment, We shall not be liable to pay or contribute the lesser of -

- (a) the first \$20,000; or
- (b) an amount equal to 1% of the total sum insured at the Site.

This deduction shall be made from the amount of each claim, as finally determined, for loss arising out of any one event.

**3.8 Aircraft**

Aircraft and other aerial devices and/or articles dropped therefrom, sonic boom and space debris.

**3.9 Riots and Strikes**

The acts of:

3.9.1 persons taking part in riots or civil commotion or strikes or lock-outs or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation, but excluding damage caused directly or indirectly by total or partial cessation of work or the retarding or interruption or cessation of any process or operation; or

3.9.2 any lawfully constituted authority in connection with the acts referred to in Clause 3.9.1.

**3.10 Vandalism**

The acts of vandals or persons of malicious intent but excluding:

- (a) loss or damage caused by tenants; or
- (b) the acts specified in Insured Event 3.9; or
- (c) theft of property,

**PROVIDED THAT:**

the police are immediately informed of any damage.

**3.11 Theft**

3.11.1 theft or attempted theft consequent upon actual forcible and violent entry which causes visible damage to a locked building;

3.11.2 theft or attempted theft by a person concealed in a building followed by that person's exit therefrom after Business Hours;

3.11.3 theft or attempted theft consequent upon actual forcible and violent entry which causes visible damage to Your locked vehicle or locked tool box securely affixed to Your vehicle.

3.11.4 theft or attempted theft of equipment which is securely attached to Your vehicle through use of locks or padlocks, which results in visible damage to the securing devices;

3.11.5 theft or attempted theft of Money and/or stock in trade and/or merchandise, manufactured, unmanufactured or in the course of manufacture whilst in transit within Australia.

**4. BASIS OF SETTLEMENT OF CLAIMS**

Claims will be settled on the basis of indemnity.

**5. EXCLUSIONS**

We will not cover loss or damage caused:

- 5.1 to registered motor vehicles, watercraft or aircraft;
- 5.2 to documents, manuscripts, patterns models, moulds, plans, designs unless specified in the Schedule
- 5.3 by wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good.
- 5.4 by theft, fraud or dishonesty by You or any of Your employees or directors;
- 5.5 by theft in which any member of Your Family is involved as a principal or accessory;
- 5.6 by theft from any yard, garden or open space;

**6. OPTIONAL ADDITIONAL BENEFIT - EMPLOYEES' PROPERTY**

We will indemnify You, up to the limit specified in the Schedule, for the cost of employees' property not otherwise insured against loss or damage resulting from an Insured Event.

**7. AUTOMATIC REINSTATEMENT**

Following a claim under this Section the sum insured will be automatically reinstated to the sum insured which applied prior to the loss or damage occurring, subject to payment of additional premium and Government charges within 30 days of You receiving an account.

**GENERAL EXCLUSIONS**

We will not be liable for:

**1. APPLICATION OF HEAT**

Loss or damage to property occasioned by either the necessary application of heat, or, its own spontaneous fermentation, heating or combustion. This exclusion is limited to that part of the insured property immediately affected and does not exclude destruction of or damage to the remainder of the insured property.

**2. ELECTRONIC DATA**

2.1 Total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data; or

- 2.2 error in creating, amending, entering, deleting or using Electronic Data; or
- 2.3 total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all

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

**HOWEVER**

in the event that a peril (other than Accidental Damage, Riots and Strikes or Vandalism) insured by this Policy but for this Exclusion, is caused by or causes any of the matters described above, We will, subject to all the Policy provisions, be liable for:

- (a) physical loss or damage or destruction to property insured directly caused by such listed peril; and/or
- (b) consequential loss if insured by this Policy.

Any terrorism exclusion in this Policy or any endorsement thereto prevails over this Exclusion.

**3. FINES OR PENALTIES**

Fines, penalties, liquidated damages, consequential damages, punitive, aggravated or exemplary damages, however imposed.

**4. INTENTIONAL DAMAGE**

Damage or liability intentionally caused or incurred by -

- 4.1 You; or
- 4.2 a member of Your Family; or
- 4.3 a person acting with Your express or implied consent or that of a member of Your Family.

**5. TERRORISM**

Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with-

- 5.1 any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
- 5.2 any action taken in controlling, preventing, suppressing or in any way relating to an act of Terrorism.

**6. WAR, CONFISCATION AND NUCLEAR**

Loss, destruction, damage, personal injury or liability, directly or indirectly caused by or arising from, or in consequence of, or contributed to by:

- 6.1 war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), mutiny, rebellion, revolution, civil war, insurrection or military or usurped power;
  - 6.2 confiscation, nationalisation or requisition by or under the order of any government or statutory, public or local authority;
  - 6.3 nuclear weapons material;
  - 6.4 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion will include any self-sustaining process of nuclear fission and/or fusion; or
- 6.5 looting, sacking or pillaging following on any of the events stated in Clauses 7.1 to 7.4.

**GENERAL CONDITIONS**

**1. ALTERATION**

Unless Our written consent is obtained We shall not be liable for loss, damage or liability caused or contributed to by any alteration after the commencement of this Policy,

- 1.1 in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses;
- 1.2 whereby Your interest ceases by will or operation of law;
- 1.3 where Your Business is wound up, carried on by a liquidator or receiver, or is permanently discontinued.

**2. CANCELLATION**

- 2.1 You may cancel this Policy or any Section at any time in which case We will retain the customary short-period rate (subject to General Condition 10, if applicable) for the time the Policy or any Section has been in force.
- 2.2 We may cancel this Policy by giving You written notice to that effect where You have:
  - 2.2.1 failed to comply with the duty of utmost good faith;
  - 2.2.2 failed to comply with Your Duty of Disclosure at the time the Policy was entered into;
  - 2.2.3 made a misrepresentation to Us during the negotiations for the Policy before We entered into the Policy;

- 2.2.4 failed to comply with this Policy;
  - 2.2.5 failed to pay the premium;
  - 2.2.6 made a fraudulent claim under this Policy or any other policy of insurance (whether with Us or some other insurer) that provided insurance cover during the Period of Insurance of this Policy;
  - 2.2.7 failed to notify Us of any specific act or omission where such notification is required by this Policy.
- 2.3 When We cancel the Policy it will have effect from whichever of the following times is the earliest:
- 2.3.1 the time when another policy of insurance replacing this Policy is entered into;  
or
  - 2.3.2 4.00 o'clock in the afternoon of the third Business day after the day on which notice was given to You.
- 2.4 When We cancel the Policy We will repay on demand a rateable proportion of the premium for the unexpired Period of Insurance from the date of cancellation.

### **3. CHANGES TO POLICY**

No change to this Policy will be valid unless agreed in writing by Us nor shall the requirements of any Section be deemed to be waived unless We agree in writing.

### **4. CLAIMS - OUR RIGHTS**

Should an event or occurrence happen in respect of which a claim is or may be made under Your Policy, We may:

- 4.1 Where the claim relates to or arises out of loss or damage to property insured;
  - 4.1.1 take all reasonable steps necessary or incidental to the investigation and assessment of the claim, including (but not limited to):
    - (a) entering the Premises, the Site or any location where the damage or destruction has occurred;
    - (b) having delivered to Us or Our representative any of the property insured including (but not limited to) damaged or destroyed property;
    - (c) taking or keeping possession of any of the property insured including, (but not limited to) damaged or destroyed property; and
    - (d) dealing with any of the property insured including, (but not limited to) damaged or destroyed property in any reasonable manner and for all reasonable purposes, including the conducting of examinations or tests on such property;

4.1.2 regard the preceding Clause 4.1.1 as evidence of Your permission to Us to adopt any or all of the options available under that paragraph before or after actual payment, repair, replacement or other indemnification under Your Policy:

- (a) without incurring any liability to You; and
- (b) without any admission of liability by Us to indemnify You under Your Policy; and

4.1.3 once We have agreed to make actual payment or agreed to repair or replace the damaged property insured or otherwise indemnify You in respect of the damage or destruction, sell or otherwise deal with any property insured which has been destroyed or damaged beyond economical repair on such terms and conditions as We at Our discretion may determine,

but nothing in this Clause 4.1 entitles You to abandon any property to Us, whether We have taken possession of such property or not.

4.2 In respect of all claims at Our own expense:

4.2.1 undertake such investigations as We consider necessary;

4.2.2 have You do, agree to do and permit to be done, everything reasonably required by Us to enforce any rights or remedies against other parties and obtain contribution, indemnity damages or other relief from those other parties; and

4.2.3 prosecute in Your name any claim for contribution, indemnity, damages or other relief,

**PROVIDED THAT:**

You will give Us all information and assistance which We may require in the investigation, prosecution or settlement of any such claim.

4.3 If You or anyone acting on Your behalf does not comply with Our requirements or hinder or obstruct Us from doing any acts under this Clause, then:

4.3.1 We will be entitled to reduce Our liability in respect of the claim by the extent to which We have been prejudiced by Your conduct or that of the person acting on Your behalf; and

4.3.2 in the event that We have paid (in whole or part) any such claim, You will repay the whole or such part of that amount as is demanded by Us.

**5. CLAIMS- PROCEDURE**

Should an event or occurrence happen which might reasonably be expected to give rise to a claim under Your Policy, You or any person on Your behalf must:

5.1 notify Us immediately;

- 5.2 neither authorise nor make any alteration, repair or replacement of any property or operation until We have had the opportunity to inspect it, unless the alteration, repair or replacement is necessary to prevent or minimise any loss or destruction of or damage to property, or injury to person;
- 5.3 take all reasonable precautions to prevent or minimise further loss or damage;
- 5.4 give Us full details of the circumstances of the event or occurrence in writing on the appropriate claim form as soon as possible, and provide at Your expense, all proofs and information concerning the loss, destruction, damage, personal injury or liability the subject matter of the claim;
- 5.5 salvage and preserve any damaged property, products, plant or other items and, if requested by Us to do so, make them available for inspection by Our representative within a reasonable time;
- 5.6 notify the police immediately on the discovery of any malicious damage, theft or attempted theft;
- 5.7 make no admission, offer, promise or payment to any person without Our written consent;
- 5.8 give Us immediate notice of any notice of claim, demand or legal proceeding or of any impending prosecution, inquest, inquiry or civil proceeding in connection with the event or occurrence; and
- 5.9 pay the Excess to Us when requested by Us.

**6. CONTRIBUTION**

If at the time of any loss, damage or liability there be any other existing insurance, whether effected by You or by any other person or persons covering the same property, We will not be liable to pay or contribute more than Our rateable proportion of the loss, damage or liability.

**7. MISREPRESENTATION AND NON-DISCLOSURE**

- 7.1 If You failed to disclose any matter which You were under a duty to disclose to Us;  
or
- 7.2 if You made a misrepresentation to Us before the contract of insurance was entered into;

and as a consequence We would not have entered into the contract for the same premium and on the same terms and conditions expressed in this Policy, then:

- (a) Our liability in respect of any claim shall be reduced to an amount to place Us in the same position in which We would have been placed if the failure to disclose had not occurred or the misrepresentation had not been made; or

(b) if the non-disclosure or misrepresentation was fraudulent, We may avoid this Policy.

**8. OTHER INSURANCE**

You shall notify Us in writing of any insurance or insurances already effected or which may be subsequently effected covering, whether in whole or in part, the property or liability insured by this Policy.

**9. PRECAUTIONS AND INSPECTION**

You must:

- 9.1 take all necessary steps to ensure that the property insured is kept in a good state of repair and maintenance and free of waste material and rubbish;
- 9.2 take all necessary steps to ensure that only competent employees and contractors are engaged by You;
- 9.3 take all reasonable precautions and action to enforce observances by all appropriate persons of all proper safeguards to prevent, avoid or minimise any loss, destruction, damage, personal injury or liability;
- 9.4 ensure compliance with all Statutes, by-laws, and regulations relating to safety of persons or property or the operation, inspection or maintenance of any property; and
- 9.5 allow Our representative to inspect or examine:
  - 9.5.1 the property insured;
  - 9.5.2 the buildings or structures in which the property insured is contained; and
  - 9.5.3 Your Business and operations.

**10. PREMIUM ADJUSTMENT**

- 10.1 If You have given Us estimates and We have based the premium calculations for Your Policy on those estimates, You must keep an accurate record of all relevant particulars and at any reasonable time allow Us to inspect such record.
- 10.2 Within 60 days of the expiry of each Period of Insurance You will supply to Us a correct statement of such particulars, so that the premium for that period may be calculated. The difference between the premium so calculated and the premium already paid will be paid by You or refunded by Us (as the case may be) within 14 days of the calculation and notification of the premium by Us to You.
- 10.3 The adjusted premium will not be less than the minimum premium We charge for the applicable Section.

**11. TRANSFER OF INTEREST**

No interest in this Policy can be transferred without Our written consent.

**END OF SECTION**



## SECTION B - BROADFORM LIABILITY

### 1. DEFINITIONS

**“Aircraft”** - any vessel, craft or thing made or intended to fly or move in or through space.

**“Business”** - Your Business specified in the Schedule and shall include the provision and management of canteens, social, sports, and welfare organisations for the benefit of Your employees, and first aid, fire and ambulance services and maintenance of Your Premises.

#### **“Internet Operations”**

1. use of electronic mail systems by Your employees, including part-time and temporary staff, and others within Your organisation;
2. access through Your network to the worldwide web or a public internet site by Your employees, including part-time and temporary staff, and others within Your organisation;
3. access to Your intranet (meaning internal company information and computing resources) which is made available through the worldwide web for Your customers or others outside Your organisation; and
4. the operation and maintenance of Your web site.

**“Medical Persons”** - legally qualified medical practitioners, legally qualified registered nurses, dentists and first aid attendants.

**“Occurrence”** - an event including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor intended to happen by You.

#### **“Personal Injury”**

1. bodily injury (including death and illness), disability, shock, fright, mental anguish or mental injury;
2. false arrest, wrongful detention, false imprisonment or malicious prosecution;
3. wrongful entry or eviction or other invasion of the right of privacy;
4. a publication or utterance of a libel or slander or other defamatory or disparaging material;
5. assault and battery not committed by You or at Your direction unless committed for the purpose of preventing or eliminating danger to person or property;
6. if arising from latent injury, latent disease, latent sickness or latent disability, such injury, disease, sickness or disability in respect of each claim shall be deemed to have occurred on the day such injury, disease, sickness or disability was first medically diagnosed.

**“Pollutants”** – any solid, liquid, biological, radiological, gaseous or thermal irritant or contaminant whether occurring naturally or otherwise, including asbestos, smoke, vapour, soot, fibres, mould, spores, fungi, mildew, mushroom yeast, biocontaminants, germs, fumes, acids, alkalis, nuclear or radioactive material of any sort, chemicals or waste. Waste includes, but is not limited to, material to be recycled, reconditioned or reclaimed.

**“Products”** - any goods, products or property after they have ceased to be in Your possession or under Your control which are, or are deemed by law to have been, manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, distributed, imported or exported by You (including any container thereof other than a Vehicle) in the course of Your Business as specified in the Schedule.

**“Property Damage”** -

1. physical damage to or destruction of tangible property including its loss of use following such physical damage or destruction;
2. loss of use of tangible property which has not been physically damaged or destroyed provided that the loss of use has been caused by an Occurrence;
3. if arising from latent damage or from the exposure of tangible property to gradual deterioration and eventual damage, such property damage in respect of each claim shall be deemed to have occurred on the day such deterioration or damage was first discovered.

**“Vehicle”** - any type of machine on wheels or self-laid tracks made or intended to be propelled other than by manual or animal power and any trailers or other attachments made or intended to be drawn by any of these machines.

**“Watercraft”** - any vessel, craft or thing made or intended to float on or in or travel through water.

**“You/Your”** in this Section of the Policy means -

- 1.1 the named Insured nominated in the Schedule;
- 1.2 all Your subsidiary companies (now or hereafter constituted) if their places of incorporation are within Australia or any Territory of Australia;
- 1.3 directors, executive officers, employees, partners or shareholders in Your Business and in a company designated in Clause 1.2 but only while acting within the scope of their duties in such capacity;
- 1.4 all principals nominated in any contract or agreement You or a company nominated in Clause 1.2 enter into for the liability of any such principal arising out of Your work in Your performance of the contract or agreement but limited in all to the extent of coverage and limit of liability as provided for in this Section;
- 1.5 Your partner, joint venturer, co-venturer or joint lessee but only;
  - 1.5.1 with respect to liability arising from the partnership, joint venture, co-venture, joint lease, and

- 1.5.2 provided the partnership, joint venture, co-venture, joint lease has been notified to Us within 60 days of formation and has been endorsed on the Schedule.
- 1.6 every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with Your consent in respect of claims arising from their duties connected with these activities.
- This cover does not apply to any person or company described in Clauses 1.4 and 1.5.
- 1.7 Your directors or senior executives in respect of private work undertaken by Your employees for any director or senior executive.

This definition does not include the interest of any other person or organisation other than as described in Clauses 1.1 to 1.7 above.

## **2. COVER**

- 2.1 We will pay to You or on Your behalf all sums which You become legally liable to pay by way of compensation other than fines, penalties, liquidated damages, punitive, aggravated or exemplary damages, however imposed in respect of Personal Injury or Property Damage happening during the Period of Insurance caused by an Occurrence in connection with Your Business.
- 2.2 Where the Personal Injury or Property Damage is caused by Your Products, the maximum amount We will pay for all claims happening in any one Period of Insurance is the limit of indemnity specified in the Schedule.
- 2.3 For all other claims or series of claims for Personal Injury or Property Damage caused by or arising from the same Occurrence the maximum amount We will pay is the limit of indemnity specified in the Schedule. Law Costs and Expenses are part of that amount and are not payable in addition to the limit of indemnity.

All Personal Injury or Property Damage arising out of continuous or repeated exposure to substantially the same conditions shall be construed as arising out of one Occurrence.

If You are entitled to indemnity under this Section We will defend any suit seeking damages for Personal Injury or Property Damage against You in Your name and on Your behalf even if such suit is groundless, false or fraudulent. In the conduct of that defence We reserve the right to investigate, negotiate and settle any claim or suit as We consider appropriate.

## **3. LAW COSTS AND EXPENSES**

In respect of claims for compensation for which You are entitled to indemnity under this Policy We will pay:

- 3.1 all legal costs and expenses incurred by Us.
- 3.2 all costs taxed against You in any suit and all interest accruing after judgement has been entered against You until We have paid, tendered or deposited in court the amount that We are liable to pay following the judgement.
- 3.3 all reasonable expenses incurred by You which We have agreed to reimburse, but We will not pay for loss of earnings.

- 3.4 expenses incurred by You for first aid treatment for Personal Injury to others caused by an Occurrence. We will not pay for any medical expenses which are prohibited by Section 126 of the Commonwealth Health Act.

We will pay Law Costs and Expenses as set out above but payments in settlement of claims, suits and all costs awarded against You, including Law Costs and Expenses, are subject to applicable limit(s) of indemnity in this Section.

**4. EXCESS**

If an Excess is specified in the Schedule, then You will be liable to pay that amount for every Occurrence for which You lodge a claim under this Section.

**5. EXCLUSIONS**

We do not insure You for;

**5.1 Aircraft and Watercraft**

Claims arising out of the ownership, maintenance, operation or use by or on Your behalf of:

5.1.1 any Aircraft, hovercraft, or

5.1.2 any Watercraft exceeding 8 metres in length.

**5.2 Aircraft Landing Areas**

Claims arising out of the ownership, maintenance, operation or use by or on Your behalf of any land, property or structure as an airport, Aircraft hanger or Aircraft landing area, where such airport, Aircraft hanger or Aircraft landing area is required by law to be issued with a licence permitting regular public transport operations of Aircraft.

**5.3 Aircraft Products**

Claims arising out of Your Products which are used or capable of being used in Aircraft or aerial devices.

**5.4 Asbestos**

Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

**5.5 Child Molestation**

Bodily injury sustained by any person arising out of or as a result of the molesting of or interfering with minors by:

- 5.5.1. You,
- 5.5.2. Your employees; or
- 5.5.3. Any person performing any volunteer service for or on behalf of You.

**5.6 Contractual Liability**

Liability You assume under any warranty or agreement except to the extent that such liability would have attached to You notwithstanding such warranty or agreement. This exclusion will not apply to:

- 5.6.1 liability You assume under any contract or lease of real or personal property;
- 5.6.2 those written contracts specified in the Schedule.

**5.7 Defect in Design**

Any defective or deficient design or error in specification or formula in any of Your Products but We will insure You for Products You do not manufacture but are sold, supplied or distributed by You where by law You are deemed to be the manufacturer.

**5.8 Exports to USA or Canada**

Claims for Personal Injury or Property Damage caused by or arising from Your Products You or Your agents or servants knowingly exported to the United States of America or the Dominion of Canada.

**5.9 Faulty Workmanship**

The cost of correcting, completing or improving any work undertaken by You.

**5.10 Hold Harmless Agreements**

Any amount which You become legally liable to pay and which amount You would have been legally entitled to recover from any party but for an agreement between You and that party.

**5.11 Information Technology Hazards**

Claims for any losses (Personal Injury, Property Damage or any other loss) arising directly or indirectly, out of, or in any way involving Your Internet Operations.

This exclusion does not apply to Personal Injury or Property Damage arising out of any material which is already in print by the manufacturer in support of its Product, including but not limited to Product use and safety instructions or warnings, and which is also reproduced on its site. Coverage does not include Personal Injury or Property Damage arising out of any other advice or information located on the site that is used for the purpose of attracting customers.

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

**5.12 Injury to Employees**

- 5.12.1 Any liability You may have for Personal Injury to Your employees arising directly or indirectly out of or in the course of their employment in Your Business;
- 5.12.2 Any liability You may have for Personal Injury to any person deemed to be or defined as Your employee in any Workers' Compensation Legislation;
- 5.12.3 Any liability You may have where You would be insured by a policy You have to take out as required by Workers' Compensation Legislation in any State or Territory of Australia whether You have actually taken out that insurance or not;
- 5.12.4 Any liability You may have imposed by the provisions of any Workers' Compensation Legislation or Industrial Award or agreement or determination.

**5.13 Libel and Slander**

Liability arising out of the publication or utterance of a libel or slander;

- 5.13.1 made prior to the commencement of the Period of Insurance, or
- 5.13.2 made by You or at Your direction when You knew it was false, or
- 5.13.3 from activities conducted by You or on Your behalf in relation to advertising, publishing, broadcasting or telecasting.

**5.14 Loss of Use**

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

- 5.14.1 any delay or lack of performance under any contract or agreement caused by You or on Your behalf;
- 5.14.2 failure of Your Products to meet the level of performance, quality, fitness or durability You may warrant or represent either expressly or impliedly. We will insure loss of use of other tangible property resulting from the sudden and accidental physical damage or destruction of Your Products after Your Products have been put to use by any person or organisation other than You.

**5.15 Pollution**

Any legal liability arising out of, based upon, attributable to or in any way connected with:

- 5.15.1 the actual or alleged presence, imminent or threatened discharge, dispersal, inhalation, seepage, release, migration, exposure or escape of Pollutants at any time,

**PROVIDED THAT:**

this clause 5.15.1 will not apply if such discharge, dispersal, inhalation, seepage, release, migration, exposure or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place during the Period of Insurance;

- 5.15.2 any direction or request to test for, mitigate, remediate, disperse, abate, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants, or any obligation to investigate, in any way respond to or assess the presence or effects of Pollutants,

**PROVIDED THAT:**

this Clause 5.15.2 will not apply to expenses only arising from any direction or request to test for, mitigate, remediate, disperse, abate, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants, or any obligation to investigate, in any way respond to or assess the presence or effects of Pollutants, which are incurred after a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place during the Period of Insurance and causes Personal Injury or Property Damage;

- 5.15.3 any obligation to share with or repay any person, organisation or entity related in any way to items 5.15.1 and 5.15.2 above,

**PROVIDED THAT:**

this Clause 5.15.3 will not apply to any such obligation to share with or repay any person, organisation or entity related in any way to items 5.15.1 and 5.15.2 above which is incurred after a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place during the Period of Insurance and causes Personal Injury or Property Damage.

The maximum amount We will pay in respect of Clause 5.15 is \$10,000 in any one Period of Insurance.

**5.16 Product Defect**

Property Damage to Your Products if the damage can be attributed to:

- 5.16.1 any defect in Your Products, or  
5.16.2 the harmful nature of Your Products, or  
5.16.3 the unsuitability of Your Products, or  
5.16.4 inherent vice or inefficiency or ineffectiveness of Your Products.

**5.17 Product Recall**

Any claim against You for the cost of withdrawal, inspection, removal and reinstallation, repair, replacement, or loss of use of Your Products or any property of which Your Products form a part should Your Products be withdrawn from the market or from use because of any known or suspected defect or deficiency in them.

**5.18 Professional Liability**

Claims arising out of You rendering or failing to render professional advice or service, or any error or omission connected with that. This exclusion does not apply to Medical Persons You employ to provide first aid and other emergency medical services on Your Premises rendering or failing to render professional medical advice.

**5.19 Property in Custody or Control**

Property Damage to:

5.19.1 property You own or property leased or rented to You; or

5.19.2 property in Your physical or legal control,

but We will insure Your liability for Property Damage to:

5.19.3 Premises which You rent or lease including the landlord's fixtures and fittings;

5.19.4 premises or the contents of premises which You do not own, lease, or rent but which You temporarily occupy to carry out work in or on the premises. If the Property Damage arises from work You are performing then We will not pay for Property Damage to that part of the premises or their contents which You are working upon;

5.19.5 Vehicles in Your physical or legal control where the Property Damage occurs in a car park owned or operated by You. We will not be liable for any Property Damage under this Clause if You own or operate a car park for reward as part of Your Business or if the Vehicle is owned or being used by You or is being used on Your behalf;

5.19.6 employees' property;

5.19.7 other tangible property not owned by You but in Your physical or legal control which is not required to be insured under a contract or agreement.

The maximum amount We will pay in respect of property insured by Clause 5.19.7 is \$50,000 for any one Occurrence or the amount specified in the Schedule, whichever is the greater,

**PROVIDED THAT:**

We will not pay for:

1. any damage to that part of any property insured by this Clause which You are or have been working upon,
2. any property damage to any Vehicles in Your physical or legal control away from the Site.

**5.20 Territorial Limits**

- 5.20.1 Claims made and actions instituted within the United States of America or the Dominion of Canada or any other territory coming within the jurisdiction of the Courts of the United States of America or the Dominion of Canada.
- 5.20.2 Claims and actions to which the laws of the United States of America or the Dominion of Canada apply.
- 5.20.3 This exclusion will not apply to occurrences arising from the actions of Your employee who is normally resident in Australia and who is not a manual worker or a supervisor of work while present outside Australia.

**5.21 Treatment or Dispensing**

Should Your Business be involved in the treatment of:

- 5.21.1 humans or animals for any physical or mental deficiency, injury, illness or disease, or
- 5.21.2 the dispensing of drugs, medicines, pharmaceutical supplies, or artificial aids;

then We shall not be liable for Property Damage or Personal Injury arising from the treatment of those humans or animals nor for Your liability for Property Damage or Personal Injury caused through the dispensing of drugs, medicines, pharmaceutical supplies, or artificial aids.

**5.22 Vehicles**

Claims arising out of Your ownership, possession, operation, control, maintenance or use of any Vehicle:

- 5.22.1 which is registered, or
- 5.22.2 which is required under any legislation to be registered;
- 5.22.3 which is required to be insured by You or on Your behalf by Legislation of any State or Territory of Australia whether or not such insurance has been taken out.

Clauses 5.22.1, 5.22.2 or 5.22.3 above do not apply to Personal Injury or Property Damage caused by or arising:

- 5.22.4 from the delivery or collection of goods to or from any Vehicle where such Personal Injury or Property Damage occurs beyond the limits of any carriageway or thoroughfare;
- 5.22.5 out of the loading or unloading of or the delivery or collection of goods to or from any Vehicle used in work undertaken by You or on Your behalf but not being in Your physical or legal control.
- 5.22.6 out of Vehicles not belonging to You, but in Your physical or legal control at the Site or parked adjacent to the Site for the purpose of servicing, repairing or testing as part of Your Business.

**5.23 Vibration or Removal of Support**

Claims arising directly or indirectly out of or in connection with, or for damage to any land, property or building or contents of that building caused by or arising out of any:

- 5.23.1 vibration of that land, property or building; or
- 5.23.2 removal or weakening of support of that land, property or building.

**5.24 Welding Activities**

Claims caused by or arising out of arc or flame cutting, flame heating, arc or gas welding or similar operation in which welding equipment is used, unless such activity is conducted in accordance with the Australian Standard 1674-1990 (Fire Precautions in cutting, heating and welding operations) issued by the Standards Association of Australia or relevant Legislation of any State or Territory of Australia.

**5.25 Work in Underground Mines**

Personal Injury or Property Damage (including loss of use of property) directly or indirectly caused or arising from any work undertaken by You in any underground mine.

**6. SUPPLEMENTARY CONDITIONS**

**6.1 Adjustment of Premium**

If You have given Us estimates and We have based the premium calculations for Your Policy on those estimates, You must keep an accurate record of all relevant particulars and at any reasonable time allow Us to inspect such record. Within 60 days of the expiry of each Period of Insurance You will supply to Us a correct statement of such particulars, so that the premium for that period may be calculated. The difference between the premium so calculated and the premium already paid will be paid by You or refunded by Us (as the case may be) within 14 days of the calculation and notification of the premium by Us to You. The adjusted premium will not be less than the minimum premium We charge for this Section.

**6.2 Claims**

- 6.2.1 Unless You have Our written consent You are not to make any admission of liability, offer, promise or pay any amount in connection with any Occurrence or claim. If We so desire We shall be entitled to take over and in Your name conduct the defence or settlement of any claim.

- 6.2.2 You are to make every attempt to preserve all property, Products, appliances and plant and to do all other things which may assist in the defence of a claim or in the exercise of any rights of subrogation. So far as may be reasonably practical You are not to make any alterations or repairs without Our consent until We have had an opportunity to inspect any damage.
- 6.2.3 We shall be able to prosecute in Your name at Our own expense and for Our own benefit any claim You make under this Section.
- 6.2.4 We shall have full discretion in the conduct of any proceedings in connection with any claim and You shall give all assistance and information as We may require in the prosecution, defence or settlement of any claim.

**6.3 Discharge of Liabilities**

At any time We may pay to You or on Your behalf after deduction of any amounts already paid:

- 6.3.1 the limit of liability under this Section, or
- 6.3.2 any other limit specified in this Section, or
- 6.3.3 any lesser sum for which the claim may be settled

for all claims made against You for any one Occurrence. In doing so We shall relinquish conduct or control of the matter and be under no further liability under this Section for any further amounts other than costs, charges and expenses:

- 6.3.4 recoverable from You for all or part of the period prior to the date of the payment;
- 6.3.5 incurred by Us;
- 6.3.6 incurred by You with Our consent prior to the date of the payment.

**6.4 Inspection of Property**

- 6.4.1 We shall be permitted but not obligated to inspect Your property and operations at any time.
- 6.4.2 neither Our right to make nor Our failure to make, nor Our making of any inspection or report following an inspection shall be used by You in any action or proceedings involving Us.
- 6.4.3 We may examine and audit Your books and records at any time during the Period of Insurance and within 3 years after the Period of Insurance but such examination or audit shall be restricted to matters which in Our opinion are relevant to the Policy.

## 6.5 **Joint Insureds**

Where You comprise of more than one party, We will treat each of the parties as a separate and distinct insured. The words You or Your shall be considered as applying to each party in the same manner as if a separate policy had been issued to each of them. Nothing in this clause shall alter or increase Our limit of liability in respect of any Occurrence or Period of Insurance as set out in this Section.

## 6.6 **Jurisdiction**

All disputes arising out of or under this Policy shall be subject to determination by any Court of competent jurisdiction within Australia according to the law which applies to that jurisdiction.

## 6.7 **Notifications**

As soon as possible You are to provide Us written notice and all relevant information of;

6.7.1 Every Occurrence, claim, writ, summons, proceedings, impending prosecution, and inquest which may result in a claim under the Policy, whether or not You believe any claim amount might fall below any Excess stated in the Schedule.

6.7.2 Every change materially varying any of the facts or circumstances existing at the commencement of this Policy that shall come to Your knowledge.

Any written notice We give to You shall be deemed to be notice given to each of the parties You comprise.

Notices given by Us will be effective immediately You receive them if We send them by a telex or facsimile message. In the case of notices by post, they will be effective 3 Business days after We posted them.

## 6.8 **Reasonable Care**

In addition to Your obligations set out in the General Conditions of the Policy, You are to:

6.8.1 take all reasonable precautions to prevent Personal Injury and Property Damage

6.8.2 take all reasonable precautions to prevent the manufacture, sale or supply of defective Products, and

6.8.3 comply and take all reasonable precautions to ensure that Your employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed:

(a) by all relevant Public Authorities;

(b) for the safety of persons and property;

- (c) for the disposal of waste products;
- (d) for the handling, storage or use of inflammable liquids or substances, gases or toxic chemicals

6.8.4 at Your own expense take reasonable action to trace, recall or modify any of Your Products containing any defect or deficiency which You know about or have reason to suspect including but not limited to any of Your Products subject to a Government or statutory ban.

## 6.9 Responsibilities

The Supplementary Conditions contained in this Section do not relieve You of Your responsibilities set out in the General Conditions of the Policy. Where Conditions in this Section and the General Conditions are similar or conflict then for any claim indemnified by this Section the Conditions in this Section will apply to the claim.

## 6.10 Subrogation

We shall be subrogated to all Your rights of recovery against all persons and organisations and You are to execute and deliver instruments and papers and do all that is necessary to assist Us in the exercise of those rights.

## 6.11 Territorial Limitations

Indemnity provided by this Section, subject to the Exclusions, applies worldwide.

## GENERAL EXCLUSIONS

We will not be liable for:

### 1. APPLICATION OF HEAT

Loss or damage to property occasioned by either the necessary application of heat, or, its own spontaneous fermentation, heating or combustion. This exclusion is limited to that part of the insured property immediately affected and does not exclude destruction of or damage to the remainder of the insured property.

### 2. ELECTRONIC DATA

- 2.1 Total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data; or
- 2.2 error in creating, amending, entering, deleting or using Electronic Data; or
- 2.3 total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all

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

**HOWEVER**

in the event that a peril (other than Accidental Damage, Riots and Strikes or Vandalism) insured by this Policy but for this Exclusion, is caused by or causes any of the matters described above, We will, subject to all the Policy provisions, be liable for:

- (a) physical loss or damage or destruction to property insured directly caused by such listed peril; and/or
- (b) consequential loss if insured by this Policy.

Any terrorism exclusion in this Policy or any endorsement thereto prevails over this Exclusion.

**3. FINES OR PENALTIES**

Fines, penalties, liquidated damages, consequential damages, punitive, aggravated or exemplary damages, however imposed.

**4. INTENTIONAL DAMAGE**

Damage or liability intentionally caused or incurred by -

- 4.1 You; or
- 4.2 a member of Your Family; or
- 4.3 a person acting with Your express or implied consent or that of a member of Your Family.

**5. TERRORISM**

Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with-

- 5.1 any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
- 5.2 any action taken in controlling, preventing, suppressing or in any way relating to an act of Terrorism.

**6. WAR, CONFISCATION AND NUCLEAR**

Loss, destruction, damage, personal injury or liability, directly or indirectly caused by or arising from, or in consequence of, or contributed to by:

- 6.1 war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), mutiny, rebellion, revolution, civil war, insurrection or military or usurped power;
- 6.2 confiscation, nationalisation or requisition by or under the order of any government or statutory, public or local authority;

- 6.3 nuclear weapons material;
- 6.4 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion will include any self-sustaining process of nuclear fission and/or fusion; or
- 6.5 looting, sacking or pillaging following on any of the events stated in Clauses 7.1 to 7.4.

## **GENERAL CONDITIONS**

### **1. ALTERATION**

Unless Our written consent is obtained We shall not be liable for loss, damage or liability caused or contributed to by any alteration after the commencement of this Policy,

- 1.1 in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses;
- 1.2 whereby Your interest ceases by will or operation of law;
- 1.3 where Your Business is wound up, carried on by a liquidator or receiver, or is permanently discontinued.

### **2. CANCELLATION**

- 2.1 You may cancel this Policy or any Section at any time in which case We will retain the customary short-period rate (subject to General Condition 10, if applicable) for the time the Policy or any Section has been in force.
- 2.2 We may cancel this Policy by giving You written notice to that effect where You have:
  - 2.2.1 failed to comply with the duty of utmost good faith;
  - 2.2.2 failed to comply with Your Duty of Disclosure at the time the Policy was entered into;
  - 2.2.3 made a misrepresentation to Us during the negotiations for the Policy before We entered into the Policy;
  - 2.2.4 failed to comply with this Policy;
  - 2.2.5 failed to pay the premium;
  - 2.2.6 made a fraudulent claim under this Policy or any other policy of insurance (whether with Us or some other insurer) that provided insurance cover during the Period of Insurance of this Policy;
  - 2.2.7 failed to notify Us of any specific act or omission where such notification is required by this Policy.
- 2.3 When We cancel the Policy it will have effect from whichever of the following times is the earliest:

- 2.3.1 the time when another policy of insurance replacing this Policy is entered into;  
or
- 2.3.2 4.00 o'clock in the afternoon of the third Business day after the day on which notice was given to You.

2.4 When We cancel the Policy We will repay on demand a rateable proportion of the premium for the unexpired Period of Insurance from the date of cancellation.

### **3. CHANGES TO POLICY**

No change to this Policy will be valid unless agreed in writing by Us nor shall the requirements of any Section be deemed to be waived unless We agree in writing.

### **4. CLAIMS - OUR RIGHTS**

Should an event or occurrence happen in respect of which a claim is or may be made under Your Policy, We may:

4.1 Where the claim relates to or arises out of loss or damage to property insured;

4.1.1 take all reasonable steps necessary or incidental to the investigation and assessment of the claim, including (but not limited to):

- (a) entering the Premises, the Site or any location where the damage or destruction has occurred;
- (b) having delivered to Us or Our representative any of the property insured including (but not limited to) damaged or destroyed property;
- (c) taking or keeping possession of any of the property insured including, (but not limited to) damaged or destroyed property; and
- (d) dealing with any of the property insured including, (but not limited to) damaged or destroyed property in any reasonable manner and for all reasonable purposes, including the conducting of examinations or tests on such property;

4.1.2 regard the preceding Clause 4.1.1 as evidence of Your permission to Us to adopt any or all of the options available under that paragraph before or after actual payment, repair, replacement or other indemnification under Your Policy:

- (a) without incurring any liability to You; and
- (b) without any admission of liability by Us to indemnify You under Your Policy; and

4.1.3 once We have agreed to make actual payment or agreed to repair or replace the damaged property insured or otherwise indemnify You in respect of the damage or destruction, sell or otherwise deal with any property insured which has been destroyed or damaged beyond economical repair on such terms and conditions as We at Our discretion may determine,

but nothing in this Clause 4.1 entitles You to abandon any property to Us, whether We have taken possession of such property or not.

- 4.2 In respect of all claims at Our own expense:
- 4.2.1 undertake such investigations as We consider necessary;
  - 4.2.2 have You do, agree to do and permit to be done, everything reasonably required by Us to enforce any rights or remedies against other parties and obtain contribution, indemnity damages or other relief from those other parties; and
  - 4.2.3 prosecute in Your name any claim for contribution, indemnity, damages or other relief,

**PROVIDED THAT:**

You will give Us all information and assistance which We may require in the investigation, prosecution or settlement of any such claim.

- 4.3 If You or anyone acting on Your behalf does not comply with Our requirements or hinder or obstruct Us from doing any acts under this Clause, then:
- 4.3.1 We will be entitled to reduce Our liability in respect of the claim by the extent to which We have been prejudiced by Your conduct or that of the person acting on Your behalf; and
  - 4.3.2 in the event that We have paid (in whole or part) any such claim, You will repay the whole or such part of that amount as is demanded by Us.

**5. CLAIMS- PROCEDURE**

Should an event or occurrence happen which might reasonably be expected to give rise to a claim under Your Policy, You or any person on Your behalf must:

- 5.1 notify Us immediately;
- 5.2 neither authorise nor make any alteration, repair or replacement of any property or operation until We have had the opportunity to inspect it, unless the alteration, repair or replacement is necessary to prevent or minimise any loss or destruction of or damage to property, or injury to person;
- 5.3 take all reasonable precautions to prevent or minimise further loss or damage;
- 5.4 give Us full details of the circumstances of the event or occurrence in writing on the appropriate claim form as soon as possible, and provide at Your expense, all proofs and information concerning the loss, destruction, damage, personal injury or liability the subject matter of the claim;
- 5.5 salvage and preserve any damaged property, products, plant or other items and, if requested by Us to do so, make them available for inspection by Our representative within a reasonable time;
- 5.6 notify the police immediately on the discovery of any malicious damage, theft or attempted theft;

- 5.7 make no admission, offer, promise or payment to any person without Our written consent;
- 5.8 give Us immediate notice of any notice of claim, demand or legal proceeding or of any impending prosecution, inquest, inquiry or civil proceeding in connection with the event or occurrence; and
- 5.9 pay the Excess to Us when requested by Us.

**6. CONTRIBUTION**

If at the time of any loss, damage or liability there be any other existing insurance, whether effected by You or by any other person or persons covering the same property, We will not be liable to pay or contribute more than Our rateable proportion of the loss, damage or liability.

**7. MISREPRESENTATION AND NON-DISCLOSURE**

- 7.1 If You failed to disclose any matter which You were under a duty to disclose to Us; or
- 7.2 if You made a misrepresentation to Us before the contract of insurance was entered into;

and as a consequence We would not have entered into the contract for the same premium and on the same terms and conditions expressed in this Policy, then:

- (a) Our liability in respect of any claim shall be reduced to an amount to place Us in the same position in which We would have been placed if the failure to disclose had not occurred or the misrepresentation had not been made; or
- (b) if the non-disclosure or misrepresentation was fraudulent, We may avoid this Policy.

**8. OTHER INSURANCE**

You shall notify Us in writing of any insurance or insurances already effected or which may be subsequently effected covering, whether in whole or in part, the property or liability insured by this Policy.

**9. PRECAUTIONS AND INSPECTION**

You must:

- 9.1 take all necessary steps to ensure that the property insured is kept in a good state of repair and maintenance and free of waste material and rubbish;
- 9.2 take all necessary steps to ensure that only competent employees and contractors are engaged by You;
- 9.3 take all reasonable precautions and action to enforce observances by all appropriate persons of all proper safeguards to prevent, avoid or minimise any loss, destruction, damage, personal injury or liability;
- 9.4 ensure compliance with all Statutes, by-laws, and regulations relating to safety of persons or property or the operation, inspection or maintenance of any property; and

- 9.5 allow Our representative to inspect or examine:
- 9.5.1 the property insured;
  - 9.5.2 the buildings or structures in which the property insured is contained; and
  - 9.5.3 Your Business and operations.

**10. PREMIUM ADJUSTMENT**

- 10.1 If You have given Us estimates and We have based the premium calculations for Your Policy on those estimates, You must keep an accurate record of all relevant particulars and at any reasonable time allow Us to inspect such record.
- 10.2 Within 60 days of the expiry of each Period of Insurance You will supply to Us a correct statement of such particulars, so that the premium for that period may be calculated. The difference between the premium so calculated and the premium already paid will be paid by You or refunded by Us (as the case may be) within 14 days of the calculation and notification of the premium by Us to You.
- 10.3 The adjusted premium will not be less than the minimum premium We charge for the applicable Section.

**11. TRANSFER OF INTEREST**

No interest in this Policy can be transferred without Our written consent.

**END OF SECTION**



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## SECTION C – MOTOR VEHICLE

### PRODUCT DISCLOSURE STATEMENT

*You should read all sections of this Product Disclosure Statement (PDS) before making a decision to acquire this insurance cover.*

### THE PURPOSE OF THIS PDS

This document is called a ***Product Disclosure Statement (PDS)***. It is designed to help ***you*** compare and make an informed choice about whether to buy this product. If you then acquire the product, the PDS contains the terms of the insurance contract. The information in this document is current as at 17<sup>th</sup> May 2004. More up to date information may be available by contacting ***us***. ***Our*** contact details are provided on page C5 of this ***PDS***.

The insurance described in this ***PDS*** is issued and underwritten by the Territory Insurance Office (TIO) Our Australian Business Number is 72 532 995 678. In this ***PDS*** and TIO is called “***we***”, “***us***” or “***our***”. Please read through this ***PDS*** carefully to make sure ***you*** have all the protection ***you*** want. ***We*** have written it in plain language to assist ***you*** in understanding the insurance cover ***you*** have chosen.

***You*** will notice that some words are printed in ***italics***. These words have a special meaning as explained under the heading “Words with Special Meanings” on page C8 of this ***PDS***.

If ***you*** don’t fully understand what ***your*** insurance contract covers, or ***your*** rights and obligations, please contact your insurance ***broker, agent, or us***.

This ***PDS*** is an important document, and should be retained in a safe place with ***your Certificate of Insurance***.

## 21 DAY COOLING-OFF PERIOD

*We* offer *you* a cooling-off period of 21 days to consider the information in this *PDS* and *your Certificate of Insurance* and determine whether the cover meets *your* needs.

If *you* are not completely satisfied with the cover *you* have chosen, *you* can cancel your insurance.

To do this, *you* must provide written notice to *us* within 21 days from the date *your* insurance commenced. If *you* have not made a claim, *we* will also give *you* a full refund of any premium *you* have paid.

## THE COST OF YOUR INSURANCE

The cost of *your* insurance is called the premium. *We* will tell *you* the premium amount *you* are required to pay and show it on *your Certificate of Insurance*.

The premium may include compulsory government charges, such as GST and stamp duty. Where government charges apply, *we* will show these amounts on *your Certificate of Insurance*.

The amount *you* are required to pay will vary based on the type of cover *you* have chosen.

When *we* calculate *your* premium, *we* take into consideration a number of rating factors. For example, with Motor Insurance, these include factors relating to the type of vehicle and its accessories, who will drive the vehicle and how it will be used, and the driving and claims history of the intended drivers.

## PAYING YOUR PREMIUM

*We* will tell *you* when *your* payment is due. *You* must pay *us*, our *agent*, or pay / agree to pay *your broker* the premium on or before the due date to get this insurance cover. If *you* pay after the date on which payment is requested, *we* may reject *your* payment, and *your* cover will not commence.

If *you* are paying by instalments and *your* payment is overdue, *we* may:

- Refuse to pay *your* claim if *your* payment is outstanding for 14 days or more, and
- Cancel *your* insurance contract if your payment is outstanding for a month or more.

*You* must pay *your* premium and any other charges in full. If *you* do not, *we* may reduce the period of insurance so it is in line with the amount *you* paid.

## OTHER COSTS

Other costs, fees and charges that *you* may have to pay are listed below:

### COST

### DETAILS

Excess

The amount specified in the *Certificate of Insurance* together with some other amounts specified within the insurance contract.

#### Cancellation Fee

If **you** cancel **your** insurance outside the 21 day cooling-off period, **we** will allow a pro rata refund of premium subject to **us** retaining a minimum amount of 20% of the annual premium or \$242.00 (including government charges) whichever is the greater.

No minimum premium will apply if **we** cancel **your** Insurance for any reason allowed by law.

#### **OUR AGREEMENT WITH YOU**

**Your** insurance contract is made up of the following documents:

- **your** proposal, which may have been verbal
- the wording in this **PDS**, including that in the '**Insuring Agreement**'
- **your** current **Certificate of Insurance**, and
- any **endorsements** sent by **us** to **you**.

For **your** insurance cover to apply **you** must pay **us** the premium. The dates that cover commences and expires are shown on the **Certificate of Insurance** **we** send **you**.

Provided **you** have paid **us** the premium on or before the due date **we** will give **you** the cover described in this **PDS** and the **Certificate of Insurance** for loss, damage or liability occurring within Australia.

**You** or any other person entitled to cover must comply with the terms, conditions, exclusions and any **endorsements**.

#### **SIGNIFICANT FEATURES AND BENEFITS OF THIS PRODUCT**

A number of features and benefits are available under the various types of insurance cover **we** offer. The ones that are applicable to **you** will depend on whether you have selected Comprehensive, Third Party Only, Third Party Fire and Theft, or Fire and Theft Only.

Please read each section of this **PDS** in conjunction with the **Certificate of Insurance** and any **endorsements** carefully for full details of the cover, terms, conditions, restrictions and limits which apply to **your** insurance.

#### **SIGNIFICANT RISKS**

**You** need to be aware of the risks associated with this product. Generally speaking the risks are that **you** will not be covered for certain events or circumstances.

This **PDS** sets out what **you** are insured for and those circumstances where **you** will not be insured.

It is important that **you** read this **PDS** and **your Certificate of Insurance** carefully so that **you** understand what **your** insurance contract covers and excludes.

Please refer to the exclusions listed under the heading of "What is not covered" on page C11 of the **PDS**.

## **YOUR DUTY OF DISCLOSURE**

### **What you must tell us**

Before **you** first start this insurance, **you** have a duty under law to tell **us** about any matter that **you** know, or could reasonably be expected to know is relevant to **our** decision whether to insure **you** and (if so) on what terms.

**You** have the same duty to disclose those matters to **us** before **you** renew, change or reinstate **your** insurance contract. These requirements are part of the **Insurance Contracts Act 1984**.

When **we** ask **you** specific questions, **you** must give **us** honest and complete answers. The information **you** give **us** helps **us** decide whether to insure **you** and any other person whom **you** want to be covered by the insurance contract, the amount of **your** premium and whether any special conditions need to apply.

### **Who needs to tell us**

It is important that every person who will be insured under the insurance contract answer **our** questions in this way.

### **What you do not need to tell us**

**You** do not need to tell **us** about any matter:

- That reduces the risk to be underwritten by **us**;
- That is of common knowledge;
- That **we** know, or as an insurer should know
- When **we** have waived compliance with **your** duty.

### **If circumstances change**

If **your** circumstances change during the term of this insurance (for example if **you** change **your** occupation, or if you change the use of **your vehicle**) so that information **you** have disclosed to **us** is no longer accurate, **you** have a duty to inform **us** of those changes to **your** circumstances.

### **What will happen if you do not tell us**

If **you** do not comply with these obligations, **we** may be entitled to refuse or reduce the amount **we** pay **you** if **you** make a claim, or **we** may cancel **your** insurance.

If **your** non disclosure is fraudulent, or **your** answers are untruthful, **we** may refuse to pay a claim and treat the insurance contract as if it never existed.

If **you** do not understand **your** duty, please contact **us**.

## **DISPUTE RESOLUTION**

TIO is proud of the quality service **we** provide to Territorians and **we** are committed to being the leading provider of quality insurance services in the Territory.

If **you** find reason to be dissatisfied with any of **our** products, services or decisions **we** make on **your** claims, **we** need to know so **we** can work together to resolve it.

First **you** should contact **us**, or the **broker** who arranged **your** insurance. Let **us** or **your broker** know what the problem is, and it may be able to be resolved on the spot.

If **you** are not satisfied with the response, **you** may request that the matter be dealt with through **our** Internal Dispute Resolution process. **Our** Dispute Resolution Officer will investigate **your** complaint and try and reach a satisfactory outcome.

If **we** are unable to resolve the matter to **your** satisfaction, **you** can take **your** complaint to an external organization which is completely independent of TIO.

The Insurance Enquiries and Complaints Scheme (IEC) is a free service available to **you** by calling 1300 78 08 08. Before a complaint is investigated by the IEC, they will request that **you** first give **us** the opportunity to resolve the matter with **you**. The IEC will also indicate whether they can assist **you** with **your** complaint as this service is not available to all customers / products.

If **you** wish to receive more information please contact **us** or ask for **our** brochure.

## HOW TO CONTACT US

You may contact us in any of the following ways:

- In person at any TIO branch
- By telephone on 8946 2222
- By writing to TIO, GPO Box 770 Darwin NT 0801
- By email on our website [www.tiofi.com.au](http://www.tiofi.com.au)

## PRIVACY OF YOUR INFORMATION

TIO is committed to protecting the privacy and confidentiality of **your** personal information.

Generally, **we** collect personal information directly from **you**, however there may be times when **we** collect personal information from outside sources. **Your** personal information is collected for the primary purpose of evaluating and administering the proposed insurance or any claim, and for the secondary purpose of marketing **our** products and services to **you**.

On request in most circumstances **you** may access personal information collected and held by TIO.

**You** may also cancel its use for marketing purposes at any time.

The information **you** give **us** may be disclosed to others such as reinsurers, professional advisers and loss adjusters.

If **you** believe **your** personal information is inaccurate or incomplete, **you** may request **we** make any necessary corrections, additions or deletions.

## THE CODE OF PRACTICE

TIO has adopted the Code of Practice developed by the Insurance Council of Australia. The Code:

- Is designed to promote understanding between insurers, agents and consumers by setting standards for insurers to follow in their dealings with the public.

- Requires insurers to provide consumers with communications promptly and in plain language.
- Requires the people you deal with when *you* are purchasing insurance or making a claim to be well trained.
- Provides an effective means to resolve disputes over *our* products or services or any claim *you* make. This process is explained on page C4 of this *PDS*.

*You* can obtain more information about the Code of Practice by contacting *us*.

#### **WE COMPLY WITH THE OBLIGATIONS OF THE CORPORATIONS ACT**

The Corporations Act requires financial service providers to have an Australian Financial Services Licence. TIO is excluded from the requirement to hold a licence as *we* are a statutory authority of the Northern Territory Government.

However, in the interest of protecting our customers *we* have chosen to comply with the financial services obligations of the Corporations Act.

**INSURING AGREEMENT**

1. If *you*
- Carry on *your* occupation described in the *Certificate of Insurance* and no other for the purpose of this *PDS*;
  - Pay the initial premium
  - Pay any subsequent renewal premium in amounts *we* require; and
  - Pay any additional premium in the amounts *we* require,

*We* agree to provide *you* with the insurance you have selected during the Period of Insurance in accordance with the terms in this *PDS*.

2. This insurance contract is based upon the information provided in the proposal form signed by *you*, and / or information provided by *you* whether verbally or in written form, and that information is incorporated in this insurance contract.

Signed on behalf of the

TERRITORY INSURANCE OFFICE

.....  
(Authorised Officer)

## WORDS WITH SPECIAL MEANINGS

Certain words used in this *PDS* have a special meaning. These words are listed below. Throughout this *PDS* these words are printed in *italics*.

Where these words appear in *your Certificate of Insurance*, they will not be printed in *italics* but they will have the same special meaning.

### *accident*

An event which was not expected or intended by *you* and includes a series of *accidents* arising out of any one event.

### *act of terrorism*

An *act of terrorism* means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

### *agent*

An authorised intermediary acting on *our* behalf or *your* behalf (as the context requires).

### *broker*

An authorised Insurance Intermediary acting for *you*.

### *Certificate of Insurance*

The current schedule or renewal schedule issued by *us* which forms part of this insurance. It will show details of *your* insurance cover and premiums.

### *endorsement*

Any written alteration or addition to the terms, conditions and exclusions of *your* insurance cover.

### *Insuring Agreement*

Means the agreement signed by one of *our* authorised officers and appearing on page C7 of this *PDS*.

### *market value*

The value of the item at the time of loss or damage, taking into account its age and condition, determined by the use of market prices, reputable dealers' guides and other experts in this area.

### *occupation*

*Your* usual business, trade or profession as advised by *you* and shown on the *Certificate of Insurance*.

### *Product Disclosure Statement (PDS)*

Means this document, which is designed to help *you* compare and make an informed choice about whether to buy this product. If *you* then acquire the product, the *PDS* contains the terms of the insurance contract. It must be read in conjunction with the *Insuring Agreement*, the *Certificate of Insurance*, the information provided in the proposal form signed by *you*, or in any other

document provided by *you* or representation made by *you*, *and* any *endorsements* that may be applied by *us*.

Throughout this document the term *Product Disclosure Statement* has been abbreviated to *PDS*.

***total loss***

Means when we deem it uneconomic to repair *your vehicle* following an *accident* or when *your vehicle* has been stolen and not recovered by *you*, *us* or the police at the time that *we* agree to pay *your* claim.

***vehicle***

Any conveyance described in the *Certificate of Insurance* with its standard accessories including a built-in radio cassette player, compact disc player, an air-conditioning unit and manufacturers tool kit but not including receiving and transmitting equipment, gates, binders, ropes, tarpaulins or the like unless specified in the *Certificate of Insurance*.

***we, us, or our***

Means Territory Insurance Office (TIO) Australian Business Number 72 532 995 678.

***you, your***

The insured named on the *Certificate of Insurance*.

**1) DESCRIPTION OF COVER**

When the extent of the cover specified in the *Certificate of Insurance* is:

1. a Comprehensive – Covers 1 and 2 will operate.
1. b Fire and Theft – Cover 1 is restricted to Loss or damage caused by fire, explosion, lightning, theft or attempted theft and Cover 2 will not operate.
1. c Fire, Theft and Third Party Liability – Cover is restricted to loss or damage caused by fire, explosion, lightning, theft or attempted theft and Cover 2 will operate.
1. d Third Party Liability – Only Cover 2 will operate.

**2) TERRITORIAL LIMITS**

*We* will only cover *your vehicle* within Australia.

**3) LIMITATION OF USE**

*We* will insure *you* when *your vehicle* is used for the following purposes –

privately for social, domestic and pleasure purposes; and  
in connection with *your occupation*.

**TYPES OF COVER**

**4) COVER 1 – OWN DAMAGE**

4. a *We* will insure *you* against theft of or *accidental* damage to *your vehicle*.
4. b The basis of settlement will be (at *our* option) to pay the cost of repairs to *your vehicle* or pay the amount of the loss or damage to *your vehicle* provided such payment does not

- exceed the *market value of your vehicle* at the time of the loss or the amount shown in the *certificate of insurance* whichever is the lesser.
4. c If *your vehicle* is a sedan, a station wagon, a utility or panel van and becomes a *total loss* within one year of the commencement date of the original registration we will pay the cost of replacing it with a new *vehicle* of the same make, model or series subject to availability in your locality or if unavailable pay you the market value of *your vehicle*.
4. d If any part or accessory is unobtainable following an *accident*, we will only pay the last published price of such an item in Australia or the cost of a comparable item from a similar make of *vehicle* to *your vehicle* plus the reasonable cost of fitting.

## **ADDITIONAL BENEFITS APPLICABLE TO COVER 1**

### **TOWING CHARGES**

We will pay the reasonable cost of protection and removal of *your vehicle* to the nearest repairer or place of safety, and to any other place approved by us, provided a claim has been accepted by us under clause 4.

### **SIGNWRITING**

We will pay the reasonable cost of the necessary reinstatement of signwriting and artwork up to \$1,000 or the amount specified in the *certificate of insurance*, whichever is the lesser.

### **TRANSIT**

We will cover *your vehicle* whilst it is in transit within Australia by road, rail, sea or air.

### **GENERAL AVERAGE**

We will pay *your* contribution for general average and salvage charges where such maritime conditions apply in respect of Additional Benefit (iii), pursuant to the Marine Insurance Act (Commonwealth), whether or not loss or damage is suffered to *your vehicle* which has been transported by road, rail or sea between places within Australia.

## **5) COVER 2 – THIRD PARTY LIABILITY**

### **5. a INDEMNITY TO YOU**

We will cover *you* for *your* legal liability to pay for damage to property as a result of an *accident* caused by, through or in connection with the use of *your vehicle* which includes-

- (i) goods falling from *your vehicle* and all costs, charges and expenses necessarily and reasonably incurred to clean up and remove any debris;
- (ii) the operation of loading and unloading *your vehicle* but not the collection or delivery of the load to or from *your vehicle*
- (iii) the use of a substitute *vehicle* similar to *yours* only when *your vehicle* is not in use due to damage or mechanical or electrical breakdown.

#### 5. b INDEMNITY TO OTHER PERSONS

**We** will indemnify in the terms of clause 5 any person who is driving or using **your vehicle** on **your** order or with **your** permission, including when they are getting on, in or out of **your vehicle** provided that such cover is not otherwise excluded by **endorsement**.

#### 5. c INDEMNITY TO SUBSIDIARY COMPANIES

Where **you** are comprised of more than one company **we** will indemnify that company or any of its named subsidiary companies in the terms of clause 5 in the same manner as if that company were the only company named in the **certificate of insurance** as the insured.

#### 5. d TOWAGE

**We** will indemnify **you** in the terms of clause 5 against legal liability arising from the towage of a trailer or the towing of a disabled mechanically propelled **vehicle** provided always that –

- (i) such towage is not for reward;
- (ii) **we** shall not be liable in respect of any claim arising out of damage to or loss of the towed trailer or disabled mechanically propelled **vehicle** or to any property conveyed in or on such trailer or disabled mechanically propelled **vehicle**;
- (iii) not more than one disabled mechanically propelled **vehicle** is being towed at any one time; and
- (iv) the number of trailers being towed at any one time does not exceed the number permitted by law.

#### 5. e LEGAL COSTS AND EXPENSES

In respect for claims for compensation for which **you** are entitled to indemnity under this cover **we** will pay:

- (i) all legal costs and expenses incurred by **us**
- (ii) all costs taxed against **you** in any suit and all interest accruing after judgement has been entered against **you** until **we** have paid, tendered or deposited into court the amount that **we** are liable to pay following the judgement.

#### 5. f LIMIT OF INDEMNITY – COVER 2

The aggregate indemnity provided under Cover 2 in respect of all claims arising from one **accident** or series of **accidents** arising from one event is limited to the amount stated in the **Certificate of Insurance**.

### 6) WHAT IS NOT COVERED

6.1 **We** will not pay for:

- (a) loss suffered as a result of inability to use **your vehicle**;
- (b) depreciation, wear and tear, rust or corrosion of **your vehicle**;
- (c) structural failure, mechanical or electrical breakdown or failure of **your vehicle**;
- (d) the tyres of **your vehicle** being damaged by application of brakes or by road punctures, cuts or bursting;

- (e) loss or damage caused by lawful seizure or other operation of law or arising from any breach of contract, agreement or obligation;
- (f) loss or damage due to failure to lock or secure **your vehicle** after it has broken down or been damaged;
- (g) any liability for damage to property in **your** physical or legal custody or control;
- (h) any liability for damage to **your** property or the property of any other person in the physical or legal control of any person using **your vehicle** and any attached trailer;
- (i) any liability for damage to any bridge, viaduct or weighbridge or anything beneath caused by vibration or weight of **your vehicle**;
- (j) any liability directly or indirectly arising from or attributed to any material applied or intended to be applied to land or anything growing thereon;
- (k) any liability which **you** or any other person or party to whom protection is given under this policy is required by law to insure under a separate statutory policy;
- (l) any liability arising under any undertaking or indemnity given or contracted by **you** without our written consent;
- (m) penalties, fines, punitive, exemplary or liquidated damages;
- (n) any damage or liability arising from the explosion of a pressure vessel forming part of or used in connection with **your vehicle**;
- (o) any liability caused by seepage, pollution or contamination;
- (p) any damage or liability arising from the use of liquid petroleum gas as a source of fuel for **your vehicle**, unless there has been strict compliance with all related laws and regulations and the applicable Australian Standards Association codes;
- (q) any loss, damage or liability arising from the commercial bulk transportation by **you** or any person using **your vehicle** and any attached trailer of the following materials –
  - (i) flammable substances having a closed cup flash point below 22.7 degrees Celsius;
  - (ii) toxic chemicals, corrosive acids, gases or explosives;
  - (iii) substances which form explosive mixtures with organic and other readily oxidisable materials.

6.2 **We** will not be liable if at the time of an accident **your vehicle** and any attached trailer is being –

- (a) engaged in or being tested or prepared for racing, pacemaking, reliability trials, speed or hill climbing, or used in an experiment, test or demonstration other than for re-sale purposes in connection with the motor trade;
- (b) used for any form of hire unless **we** have been notified and any special terms **we** require have been agreed by **us** in writing;
- (c) used for any unlawful purpose, unless **you** prove that such use was without **your** knowledge or consent;
- (d) driven by an unlicensed driver with **your** consent;
- (e) driven off a public roadway by an unlicensed driver. This exclusion shall not apply if such driver –
  - (i) is competent to drive **your vehicle**
  - (ii) is over 16 years of age; and  
has not been disqualified from holding or obtaining a driving licence; and  
is driving on the order of or with **your** permission in circumstances in which it is not necessary for such persons to hold a licence to drive in order to comply with statutory requirements;
- (f) used to carry a number of passengers or convey or tow a load in excess of that for which **your vehicle** or attached trailer was designed;

- (g) used whilst in an unsafe or unroadworthy condition, unless such condition could not reasonably be detected by **you**;
- (h) driven by or is in the charge of any person –
  - (i) while under the influence of alcohol or drugs
  - (ii) who refused to take a test for alcohol or drug content in the breath or blood after the loss or damage;
  - (iii) whose recorded reading following a breathalyser or blood test exceeds the level of alcohol permitted by law, or who is convicted of the offence of refusing to take a breathalyser or blood test when requested to do so in a lawful manner.

Clause 6.2.h will not apply to **Cover 1** of this policy or to **your** legal liability as an employer or principal if **you** prove that whilst **you** gave permission for the person to use **your** vehicle **you** did not know or could not reasonably have known that the person was so affected.

- 6..3 **We** will not be liable if at the time of an accident **your** vehicle and any attached trailer has been changed from the manufacturers original specifications unless **we** have approved of the change in writing.

## 7) **WAR, CONFISCATION AND NUCLEAR**

**We** will not be liable for loss, destruction, damage, personal injury or liability, directly or indirectly caused by or arising from, or in consequence of, or contributed to by:

- 7.1 war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), mutiny, rebellion, revolution, civil war, insurrection or military or usurped power;
- 7.2 confiscation, nationalization or requisition by or under the order of any government or statutory, public or local authority;
- 7.3 nuclear weapons material;
- 7.4 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion will include any self-sustaining process of nuclear fission and/or fusion; or
- 7.5 looting, sacking or pillaging following on any of the events stated in Clauses 7.1 to 7.4.

## 8) **TERRORISM**

**We** will not be liable for death, injury, illness, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with –

- 8.1 any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
- 8.2 any action taken in controlling, preventing, suppressing or in any way relating to an **act of terrorism**.

## 9) **AGE AND INEXPERIENCED DRIVER EXCESS**

In addition to the excess shown in the **certificate of insurance** the following are payable:

- 9.1 \$950 when **your vehicle** is being driven by a person under 21 years of age; or
- 9.2 \$350 when **your vehicle** is being driven by a person 21 years of age but under 25 years; or
- 9.3 \$350 when **your vehicle** is being driven by a person aged 25 years or more and who has held a driving licence for less than 2 years.

However:

Clause 7 will not apply in respect of an accident involving breakage of a windscreen or window glass of **your vehicle** if the breakage is the only damage sustained by **your vehicle**.

## 10) CONDITIONS

### 10.1 CLAIMS PROCEDURES AND NOTIFICATION

If an event occurs which gives rise to a claim **you** or someone on **your** behalf must;

- (a) notify **us** immediately
- (b) provide **us** with a copy of any breath analysis or blood test report.
- (c) neither authorise nor make any alteration, repair or replacement of any property or operation until **we** have had the opportunity to inspect it, unless the alteration, repair or replacement is necessary to prevent or minimize any loss or destruction of or damage to property, or injury to person;
- (d) take all reasonable precautions to prevent or minimize further loss or damage;
- (e) give **us** full details of the circumstances of the event or occurrence in writing on the appropriate claim form as soon as possible, and provide at **your** expense, all proofs and information concerning the loss, destruction, damage, personal injury or liability the subject matter of the claim;
- (f) salvage and preserve any damaged property, products, plant or other items and, if requested by **us** to do so, make them available for inspection by **our** representative within a reasonable time;
- (g) notify the police immediately on the discovery of any malicious damage, theft or attempted theft;
- (h) make no admission, offer, promise or payment to any person without **our** written consent;-
- (i) give **us** immediate advice of any notice of claim, demand or legal proceeding or of any impending prosecution, inquest, inquiry or civil proceeding in connection with the event or occurrence; and
- (j) pay the excess to **us** when requested by us

### 10.2 CARE OF **YOUR VEHICLE**

**You** must take reasonable steps at all times to safeguard **your vehicle** from loss or damage and to maintain it in an efficient, safe and fully roadworthy condition and to lock or otherwise secure **your vehicle** when not in use.

### 10.3 AVERAGE / UNDERINSURANCE CONDITION

If the sum insured in the **certificate of insurance** is less than 80% of the market value of **your vehicle**, then **we** will pay **you** the proportion of the claim which the sum insured bears to 80% of the market value but not exceeding the sum insured.

This condition shall not apply in respect of a total loss of **your vehicle**.

## 11) PREMIUM ADJUSTMENT

11.1 If **you** have given **us** estimates and **we** have based the premium calculations for **your** policy on those estimates, **you** must keep an accurate record of all relevant particulars and at any reasonable time allow **us** to inspect such record.

11.2 Within 60 days of the expiry of each period of insurance **you** will supply to **us** a correct statement of such particulars, so that the premium for that period may be calculated. The

difference between the premium so calculated and the premium already paid will be paid by **you** or refunded by **us** (as the case may be) within 14 days of the calculation and notification of the premium by **us** to **you**.

- 11.3 The adjusted premium will not be less than the minimum premium **we** charge for this class of insurance.

## 12) CANCELLING YOUR INSURANCE

Your insurance cover may be cancelled:

### -By You

**You** may cancel **your** insurance within the 21 Day Cooling-Off Period, and the terms of that agreement will apply.

Outside the 21 Day Cooling- Off Period **you** may cancel **your** insurance by providing written notice to **us**. **Your** insurance will be cancelled from the date **we** receive the written request.

### -By Us

**We** may cancel **your** insurance by notifying **you** in writing. This notice shall be delivered to **you** personally or posted to **you** at **your** last known address. Cancellation of this insurance shall be effective from 4:00pm on the third business day after delivery of this notice or at the time when **you** enter into another contract of insurance intended to replace this insurance cover, whichever is sooner.

**We** may cancel your insurance cover if, for example:

- **You** make a misleading statement when applying for insurance;
- **You** fail to comply with the conditions of the insurance;
- **You** fail to pay the premium;
- **You** make a fraudulent claim.

## 13) REFUNDS

Other than during the 21 Day Cooling Off Period **we** will refund the balance of premium in respect of any unexpired period of this insurance subject to us retaining a minimum amount of 20% of the annual premium or \$242:00 (including government charges) whichever is the greater.

In most cases refunds of premium do not apply to insurance contracts paid by instalments.

## 14) RENEWAL PROCEDURE

Prior to the expiry of your insurance cover **we** will write to **you** about the renewal of your insurance.

If renewal is invited **you** should carefully check the details contained in **your** renewal invitation, such as:

- The type of cover applicable to **your vehicle(s)**
- The sum insured of **your vehicle** and its accessories
- The **excess** applicable.

**15) CONTRIBUTION**

If at the time of any loss, damage or liability there exists any other insurance, whether effected by *you* or by other person or persons covering the same property, *we* will not be liable to pay or contribute more than *our* rateable proportion of the loss, damage or liability.

**16) GOVERNING LEGISLATION**

This contract is governed by the *Insurance Contracts Act 1984*.

**END OF SECTION**



## SECTION D – PERSONAL ACCIDENT & ILLNESS

### PRODUCT DISCLOSURE STATEMENT

*You should read all sections of this Product Disclosure Statement (PDS) before making a decision to acquire this insurance cover.*

#### THE PURPOSE OF THIS PDS

This document is called a *Product Disclosure Statement (PDS)*. It is designed to help *you* compare and make an informed choice about whether to buy this product. If *you* then acquire the product, the *PDS* contains the terms of the insurance contract. The information in this document is current as at 17<sup>th</sup> May 2004. More up to date information may be available by contacting *us*. *Our* contact details are provided on page D5 of this *PDS*.

The insurance described in this *PDS* is issued and underwritten by the Territory Insurance Office (TIO). *Our* Australian Business Number is 72 532 995 678. In this *PDS* TIO is called “*we*”, “*us*” or “*our*”. Please read through this *PDS* carefully to make sure *you* have all the protection *you* want. *We* have written it in plain language to assist *you* in understanding the insurance cover *you* have chosen.

*You* will notice that some words are printed in *italics*. These words have a special meaning as explained under the heading “Words with Special Meanings” on page D7 of this *PDS*.

If *you* don’t fully understand what *your* insurance contract covers, or *your* rights and obligations, please contact *your* insurance *broker, agent, or us*.

This *PDS* is an important document, and should be retained in a safe place with *your Certificate of Insurance*.

#### 21 DAY COOLING-OFF PERIOD

*We* offer *you* a cooling-off period of 21 days to consider the information in this *PDS* and *your Certificate of Insurance* and determine whether the cover meets *your* needs.

If *you* are not completely satisfied with the cover *you* have chosen, *you* can cancel *your* insurance.

To do this, *you* must provide written notice to *us* within 21 days from the date *your* insurance commenced. If *you* have not made a claim, *we* will also give *you* a full refund of any premium *you* have paid.

#### THE COST OF YOUR INSURANCE

The cost of *your* insurance is called the premium. *We* will tell *you* the premium amount *you* are required to pay and show it on *your Certificate of Insurance*.

The premium may include compulsory government charges, such as GST and stamp duty. Where government charges apply, *we* will show these amounts on *your Certificate of Insurance*.

The amount *you* are required to pay will vary based on the type of cover *you* have chosen. When *we* calculate *your* premium, *we* take into consideration a number of rating factors.

For example, with Personal *Accident* and *Illness* Insurance, these include factors relating to *your occupation*, *your* medical history, and *your* average gross weekly income.

## **PAYING YOUR PREMIUM**

*We* will tell *you* when *your* payment is due. *You* must pay *us*, *our agent*, or pay/ agree to pay *your broker* the premium on or before the due date to get this insurance cover. If *you* pay after the due date, *we* may reject *your* payment, and *your* cover will not commence.

If *you* are paying by instalments and *your* payment is overdue, *we* may:

- Refuse to pay *your* claim if *your* payment is outstanding for 14 days or more, and
- Cancel *your* insurance contract if *your* payment is outstanding for a month or more.

*You* must pay *your* premium and any other charges in full. If *you* do not, *we* may reduce the *period of insurance* so it is in line with the amount *you* paid.

## **OTHER COSTS**

Other costs, fees and charges that *you* may have to pay are listed below:

<b>COST</b>	<b>DETAILS</b>
Excess	<p>For Personal <i>Accident</i> and <i>Illness</i> Insurance the <i>excess</i> is the number of days after the claimable <i>accident</i> occurs or <i>Illness</i> commences, during which and for which <i>we</i> will not pay <i>weekly benefits</i>. This number of days is written in <i>your Certificate of Insurance</i>.</p> <p>For other classes of insurance it is the amount specified in the <i>Certificate of Insurance</i> together with some other amounts specified within the <i>PDS</i> and any <i>endorsements</i>.</p>
Cancellation Fee	<p>If <i>you</i> cancel <i>your</i> insurance outside the 21 day cooling-off period, <i>we</i> will allow a pro rata refund of premium subject to <i>us</i> retaining a minimum amount of \$242 (including government charges).</p> <p>No minimum premium will apply if <i>we</i> cancel <i>your</i> Insurance for any reason allowed by law.</p>

## **OUR AGREEMENT WITH YOU**

*Your* insurance contract is made up of the following documents:

- *your* proposal, which may have been verbal
- the wording in this *PDS*, including that in the *'Insuring Agreement'*
- *your* current *Certificate of Insurance*, and
- any *endorsements* sent by *us* to *you*.

For *your* insurance cover to apply *you* must pay *us* the premium. The dates that cover commences and expires are shown on the *Certificate of Insurance* *we* send *you*. Provided *you* have paid *us*

the premium on or before the due date *we* will give *you* the cover described in this *PDS* and the *Certificate of Insurance*.

*You* or any other person entitled to cover must comply with the terms, conditions, exclusions and any *endorsements*.

## **SIGNIFICANT FEATURES AND *BENEFITS* OF THIS PRODUCT**

This insurance policy offers 24 hour cover for:

- Lump sum payments (if *you* have chosen cover for *capital benefits*) for accidental death or other permanent disabilities (refer to table of *capital benefits* page D10 of the *PDS*), and
- *Weekly benefits* if you have chosen cover for *weekly benefits – accident* and/or *illness* to replace income that is lost following an *accident* or *illness*. The maximum *weekly benefit you* can insure for is 100% of *your* average gross weekly income (refer Words with Special Meanings starting on page D7 for definition of “average gross weekly income”).

Additional *benefits* are also available and are set out on page D11 of the *PDS*.

## **SIGNIFICANT RISKS**

*You* need to be aware of the risks associated with this product. Generally speaking the risks are that *you* will not be covered for certain events or circumstances.

This *PDS* sets out what *you* are insured for and those circumstances where *you* will not be insured.

It is important that *you* read this *PDS* and *your Certificate of Insurance* carefully so that *you* understand what *your* insurance contract covers and excludes.

For Personal *Accident* and *Illness* insurance, *benefits* may be reduced, or in certain circumstances, not be paid at all – refer “Conditions applicable to *benefit* payment” on page D12. The *PDS* also defines a number of situations or events where cover is totally excluded – refer Exclusions to *Benefits* on pages D12 and D13. Also, cover provided by this *PDS* differs from the prescribed cover for sickness and *accident* insurance contained in the Insurance Contract Act (1984) Regulations.

Please refer to the exclusions listed under the heading of “What is not covered” on page D12 of the *PDS*.

## ***YOUR DUTY OF DISCLOSURE***

### **What *you* must tell us**

Before *you* first start this insurance, *you* have a duty under law to tell *us* about any matter that *you* know, or could reasonably be expected to know is relevant to *our* decision whether to insure *you* and (if so) on what terms.

**You** have the same duty to disclose those matters to **us** before **you** renew, change or reinstate **your** insurance contract. These requirements are part of the *Insurance Contracts Act 1984*.

When **we** ask **you** specific questions, **you** must give **us** honest and complete answers. The information **you** give **us** helps **us** decide whether to insure **you** and any other person whom **you** want to be covered by the insurance contract, the amount of **your** premium and whether any special conditions need to apply.

#### **Who needs to tell us**

It is important that every person who will be insured under the insurance contract answer **our** questions in this way.

#### **What you do not need to tell us**

**You** do not need to tell **us** about any matter:

- That reduces the risk to be underwritten by **us**;
- That is of common knowledge;
- That **we** know, or as an insurer should know
- When **we** have waived compliance with **your** duty.

#### **If circumstances change**

If **your** circumstances change during the term of this insurance (for example if **you** change **your** *occupation*) so that information **you** have disclosed to **us** is no longer accurate, **you** have a duty to inform **us** of those changes to **your** circumstances.

#### **What will happen if you do not tell us**

If **you** do not comply with these obligations, **we** may be entitled to refuse or reduce the amount **we** pay **you** if **you** make a claim, or **we** may cancel **your** insurance.

If **your** non disclosure is fraudulent, or **your** answers are untruthful, **we** may refuse to pay a claim and treat the insurance contract as if it never existed.

If **you** do not understand **your** duty, please contact **us**.

### **DISPUTE RESOLUTION**

TIO is proud of the quality service **we** provide to Territorians and **we** are committed to being the leading provider of quality insurance services in the Territory.

If **you** find reason to be dissatisfied with any of **our** products, services or decisions **we** make on **your** claims, **we** need to know so **we** can work together to resolve it.

First **you** should contact **us**, or the **broker** who arranged **your** insurance. Let **us** or **your** **broker** know what the problem is, and it may be able to be resolved on the spot.

If **you** are not satisfied with the response, **you** may request that the matter be dealt with through **our** Internal Dispute Resolution process. **Our** Dispute Resolution Officer will investigate **your** complaint and try and reach a satisfactory outcome. If **we** are unable to resolve the matter to **your** satisfaction, **you** can take **your** complaint to an external organisation which is completely independent of TIO.

The Insurance Ombudsman Service Limited (IOS) is a free service available to **you** by calling 1300 78 08 08. Before a complaint is investigated by the IOS, they will request that **you** first give **us** the opportunity to resolve the matter with **you**. The IOS will also indicate whether they can assist **you** with **your** complaint as this service is not available to all customers / products. If **you** wish to receive more information please contact **us** or ask for **our** brochure.

### **HOW TO CONTACT US**

**You** may contact **us** in any of the following ways:

- In person at any TIO branch
- By telephone on 08 8946 2222
- By writing to TIO, GPO Box 770 Darwin NT 0801
- By email on **our** website [www.tiofi.com.au](http://www.tiofi.com.au)

### **PRIVACY OF YOUR INFORMATION**

TIO is committed to protecting the privacy and confidentiality of **your** personal information.

Generally, **we** collect personal information directly from **you**, however there may be times when **we** collect personal information from outside sources. **Your** personal information is collected for the primary purpose of evaluating and administering the proposed insurance or any claim, and for the secondary purpose of marketing **our** products and services to **you**.

On request in most circumstances **you** may access personal information collected and held by TIO.

**You** may also cancel its use for marketing purposes at any time.

The information **you** give **us** may be disclosed to others such as reinsurers, professional advisers and loss adjusters.

If **you** believe **your** personal information is inaccurate or incomplete, **you** may request **we** make any necessary corrections, additions or deletions.

### **THE CODE OF PRACTICE**

TIO has adopted the Code of Practice developed by the Insurance Council of Australia. The Code:

- Is designed to promote understanding between insurers, **agents** and consumers by setting standards for insurers to follow in their dealings with the public.
- Requires insurers to provide consumers with communications promptly and in plain language.
- Requires the people **you** deal with when **you** are purchasing insurance or making a claim to be well trained.
- Provides an effective means to resolve disputes over **our** products or services or any claim **you** make. This process is explained on page D4 of this **PDS**.

**You** can obtain more information about the Code of Practice by contacting **us**.

### **WE COMPLY WITH THE OBLIGATIONS OF THE CORPORATIONS ACT**

The Corporations Act requires financial service providers to have an Australian Financial Services License. TIO is excluded from the requirement to hold a licence as *we* are a statutory authority of the Northern Territory Government.

However, in the interest of protecting *our* customers *we* have chosen to comply with the financial services obligations of the Corporations Act.

***INSURING AGREEMENT***

1. If *you*

- Carry on *your occupation* described in the *Certificate of Insurance* and no other for the purpose of this *PDS*;
- Pay the initial premium
- Pay any subsequent renewal premium in amounts *we* require; and
- Pay any additional premium in the amounts *we* require,

*We* agree to provide *you* with the insurance *you* have selected during the *period of insurance* in accordance with the terms in this *PDS*.

2. This *PDS* is based upon the information provided in the proposal form signed by *you* and that information is incorporated in this *PDS*.

Signed on behalf of the

TERRITORY INSURANCE OFFICE

.....  
(Authorised Officer)

## WORDS WITH SPECIAL MEANINGS

Certain words used in this *PDS* have a special meaning. These words are listed below. Throughout this *PDS* these words are printed in *italics*.

Where these words appear on *your Certificate of Insurance*, they will not be printed in *italics*, but they will have the same special meaning.

### *accident*

An *injury* causing event which was not expected or intended by *you*, and includes a series of *accidents* arising from any one event.

### *act of terrorism*

An *act of terrorism* means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

### *agent*

An authorised intermediary acting on *our* or *your* behalf (as the context requires).

### *aggregate limit of liability*

The maximum amount *we* will pay for any one event involving more than one *Insured person*. The *aggregate limit of liability* is shown in the *Certificate of Insurance*. If this amount is not enough to pay all claims in full, then *we* will reduce each *insured person's benefit* proportionately.

### *average gross weekly income*

- 1) If *you* are self employed, *your* average weekly gross income derived from personal exertion after deducting the average weekly expenses incurred in earning that income, averaged over the prior 12 months or over such shorter period as *you* have been engaged in *your* usual *occupation*; or
- 2) If *you* are an employee, *your* gross weekly base rate of pay exclusive of overtime payments, bonuses, commissions or allowances averaged over the prior 12 months or over such shorter periods as *you* have been continuously employed in *your* usual *occupation*.

### *benefit*

The amount that *you* may be entitled to receive following a claim.

### *broker*

An authorised Insurance Intermediary acting for *you*.

### *capital benefit*

Means the applicable percentage of the *Capital Benefit Sum Insured* listed in the *Table of Capital Benefits* for each *permanent disability*.

### *Capital Benefit Sum Insured*

Means the amount stated against that heading in the *Certificate of Insurance*

***Certificate of Insurance***

The current schedule or renewal schedule issued by **us** which forms part of this insurance. It will show details of **your** insurance cover and premiums.

***endorsement***

Any written alteration or addition to the terms, conditions and exclusions of **your** insurance cover.

***excess***

The **excess** is the number of days after the claimable **accident** occurs or **illness** commences, during which **we** will not pay **weekly benefits**. This number of days is written in **your Certificate of Insurance**.

***illness***

Means any sickness, disease or bodily disorder which becomes manifest during the **period of insurance** but excluding any **illness** which first becomes manifest within 14 days of the commencement date as shown on the **Certificate of Insurance** (not being a **Certificate of Insurance** issued on Renewal).

***indemnity period***

The amount of time stated in the **Certificate of Insurance** as being the maximum time for which **we** are liable to pay **you weekly benefits**

***injury***

Means any damage to **you** caused solely and directly by an **accident** which occurs during the **period of insurance** but does not include any condition which is also an **illness** or caused by an **illness**.

***insured person, insured people, or the insured***

Means a person specified in the **Certificate of Insurance** as a person in respect of which **injury** or **illness** cover is provided under section 1.

***Insuring Agreement***

Means the agreement signed by one of **our** authorised officers and appearing on page D6 of this **PDS**.

***occupation***

**Your** usual business, trade or profession as advised by **you** and shown on the **Certificate of Insurance**.

***partial disablement***

A disability which prevents **you** from carrying out more than half of **your** usual **occupation**.

***period of insurance***

The period of time specified in the **Certificate of Insurance** as being the **period of insurance**.

***permanent disability***

A disability arising from an **injury** that, more than 12 months from the date of the event that caused that **injury**, is beyond hope of improvement and includes **permanent total disablement**.

***permanent total disablement***

***Total disablement*** arising from an ***injury***, which lasts for more than 12 months from the date of the event that caused that ***injury*** and which ***we*** deem will last thereafter for ***your*** life, and which permanently prevents ***you*** from engaging in any ***occupation*** profession or business for which ***you*** are reasonably qualified by education, training or experience.

***Product Disclosure Statement (PDS)***

Means this document, which is designed to help ***you*** compare and make an informed choice about whether to buy this product. If ***you*** then acquire the product, the ***PDS*** contains the terms of the insurance contract. It must be read in conjunction with the ***Insuring Agreement***, the ***Certificate of Insurance***, the information provided in the proposal form signed by ***you***, and any ***endorsements*** that may be applied by ***us***.

Throughout this document the term ***Product Disclosure Statement*** has been abbreviated to '***PDS***'.

***Table of Capital Benefits***

Means the table appearing in clause 2 of this ***PDS***.

***total disablement***

Means a disability that entirely prevents ***you*** from carrying out ***your*** usual ***occupation***.

***weekly benefit***

The amount payable stated in the ***Certificate of Insurance*** for ***accident*** and / or ***illness***.

***we, us, or our***

Means Territory Insurance Office (TIO) Australian Business Number 72 532 995 678.

***you, your***

***The insured*** named on the ***Certificate of Insurance***. Where the person who applied for this insurance and paid the premium is different from the person on whose state of health this insurance depends, the applicant is referred to as ***the insured*** in the ***Certificate of Insurance***, and ***you*** or ***your*** will, for the purpose of payment of premium, making a claim and receiving ***benefits***, refer also to ***the insured***.

**WHAT IS COVERED**

**1. COVER**

1.1 If ***you*** suffer an ***injury***, and, as a direct result of that ***injury*** and within 12 months of ***you*** first sustaining that ***injury*** ***you*** suffer ***partial disablement***, ***total disablement***, or a ***permanent disability***, ***we*** will pay ***you***:

1.1.1 in the case of ***partial disablement***, 30% of the ***weekly benefit*** shown in the ***Certificate of Insurance*** for the period of ***partial disablement*** but not for longer than the ***indemnity period*** shown in the ***Certificate of Insurance***.

1.1.2 In the case of ***total disablement***, the ***weekly benefit*** shown in the ***Certificate of Insurance*** for the period of ***total disablement*** but not for longer than the ***indemnity period*** shown in the ***Certificate of Insurance***.

- 1.1.3 In the case of a *permanent disability*, the applicable *capital benefit* shown in the *Table of Capital Benefits*;
- 1.2 If *we* cover *you* for *illness* and, as a result of an *illness*, *you* suffer *total disablement*, *we* will pay the *weekly benefit* shown in the *Certificate of Insurance*, for the period of the *total disablement* but not for longer than the *indemnity period* shown in the *Certificate of Insurance*;
- PROVIDED THAT
- 1.2.1 *We* will not pay any amount under this clause if, at the commencement of cover as stated in the *Certificate of Insurance*, *you* were aware of any symptoms of the *illness* or a reasonable person in the circumstances would have been aware of any such symptoms; and
- 1.2.2 *We* will not pay any increase in *benefit* that *you* may have requested should any *illness* become manifest within 14 days of the commencement date of that increased *benefit* as agreed by *our endorsement*.
- 1.3 Any *weekly benefit* payable under clauses 1.1.1, 1.1.2, or 1.2 will be reduced by:  
The applicable *excess* as detailed on *your Certificate of Insurance*.

## 2. TABLE OF CAPITAL BENEFITS

<i>Permanent disability</i>	<b>Percentage of Capital Benefit Sum Insured</b>
1. Death	100
<b>2. Permanent total disablement</b>	100
3. Incurable Insanity	100
4. Permanent total loss of sight in one or both eyes	100
5. Permanent total loss of hearing in:	
5.1. both ears	80
5.2. one ear	20
6. Permanent loss of the lens of one eye	50
7. Third degree burns that cover 40% or more of the external body	50
8. Necessary surgical removal of internal organs	10
9. Fracture of any bone above the ankle in either leg with established non-union	10
10. Shortening of the leg by 5 cm or more	7.5
11. Loss of at least 50% of all sound and natural teeth, including capped or crowned teeth	2
12. Physical severance or permanent loss of use of:	
12.1. one or more arms or legs	100
12.2. both hands or both feet	100
12.3. one hand and one arm	100

<i>Permanent disability</i>	<b>Percentage of Capital Benefit Sum Insured</b>
12.4. one foot and one leg	100
12.5. one hand and one foot	100
12.6. one hand or lower arm	80
12.7. one foot or lower leg	70
12.8. four fingers and one thumb of a hand	75
12.9. both joints of one thumb	30
12.10. one joint of one thumb	15
12.11. three joints of one finger	10
12.12. two joints of one finger	7.5
12.13. one joint of one finger	5
12.14. all toes of one foot	15
12.15. both joints of a great toe	5
12.16. one joint of a great toe	3
12.17. each toe other than the great toe	1
13. <i>Permanent disability</i> not otherwise provided for in this Table	The percentage of the <i>Capital Benefit Sum Insured</i> as in <i>our</i> opinion is appropriate

### 3. ADDITIONAL BENEFITS

#### 3.1 Presumption of Death

Providing the *Certificate of Insurance* has an amount specified for *capital benefits*, and *you* are a driver or passenger on a means of transportation which disappears, sinks, crashes or explodes, and *your* body is not found in the ensuing 12 months, we will presume that *you* have died as a result of *injury* and *we* will pay the death *capital benefit* accordingly to *your* estate, or to any person legally entitled to receive that *capital benefit*;

PROVIDED THAT

If *we* make a payment under this clause and at any time afterwards *you* are found to be living, any amounts *we* have paid to *your* estate must be repaid to *us*.

#### 3.2 Rehabilitation / Modification

If *you* are entitled to payment of a *capital benefit* for a *permanent disability* under this *PDS*, *we* will pay the reasonable costs incurred by *you* to undergo a rehabilitation programme approved by *us*, plus any costs approved by *us* for the modification of *your* principal place of residence, and/or *your* car, up to \$10,000 in total.

#### 4. CONDITIONS APPLICABLE TO *BENEFIT* PAYMENT

- 4.1 Any *capital benefit* payable in the case of death will be reduced by the amount of any other *capital benefit* or *weekly benefits* paid or payable for the same *injury*.
- 4.2 Any *capital benefit* payable, which exceeds 50% of the *Capital Benefit Sum Insured* shown in the *Certificate of Insurance*, will be reduced by the amount of any *weekly benefits* paid or payable for *total disablement* or *partial disablement* for the same *injury*.
- 4.3 *Your* entitlement to *weekly benefits* for an *injury*, ceases upon payment of a *capital benefit* for that *injury*.
- 4.4 Any future cover under the *Table of Capital Benefits* ceases upon payment of a *capital benefit* that exceeds 75% of the *Capital Benefit Sum Insured* shown in the *Certificate of Insurance*.
- 4.5 No *injury* that results in *you* incurring a combination of Permanent Disabilities listed in the *Table of Capital Benefits* shall result in *you* being entitled to a greater percentage than 100% of the *Capital Benefit Sum Insured* shown on the *Certificate of Insurance*.
- 4.6 Where *you* suffer a recurrence of an *injury* or *illness* during the *period of insurance* when *weekly benefits* would be payable, such recurrence will be treated as a continuation of the original *injury* or *illness* provided that there has been an interval of less than six months between the date of recovery from the original *injury* or *illness* and the date of the recurrence.

#### WHAT IS NOT COVERED

##### 5. EXCLUSIONS TO *BENEFITS*

*We* will not pay:

- 5.1 *weekly benefits* for the *excess* period shown in the *Certificate of Insurance*;
- 5.2 for both *total disablement* and *partial disablement* or for more than one *injury* or *illness* at any one time;
- 5.3 any *benefit* unless *you* have, as soon as possible after sustaining an *injury* or *illness*, obtained and complied with proper medical advice from a duly qualified medical practitioner;
- 5.4 any *benefit* unless *you* continue to permanently reside in Australia (unless *your injury* or *illness* occurs whilst *you* are overseas and *your* medical practitioner or a Government Health Authority will not allow *you* to return to Australia);
- 5.5 for any *illness* contracted within 14 days from the date of commencement of cover as shown on the *Certificate of Insurance*;
- 5.6 for *injury* or *illness* caused by events that occurred before *you* proposed to *us* for this insurance, or for which *you* have elected not to insure;

5.7 for any *injury* arising in any way and caused by a disability that was existing before *you* proposed to *us* for this insurance, unless *we* have written to *you* prior to the commencement of this insurance specifically agreeing to cover such *injury*;

5.8 any *benefit* after *you* attain 65 years of age, unless otherwise agreed to by *us*;

## 6. GENERAL EXCLUSIONS

*We* will not cover any *injury* or *illness* arising from:

6.1 war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), mutiny, rebellion, revolution, civil war, insurrection or military or usurped power;

6.2 *you* being:

6.2.1 under the influence of intoxicating liquor or drugs other than a drug taken or administered by, or in accordance with, the advice of a registered medical practitioner; or

6.2.2 addicted to intoxicating liquor, or drugs.

6.3 *you* engaging in professional sporting activities;

6.4 *you* flying or engaging in any aerial activities other than as a passenger in a licensed aircraft;

6.5 a deliberately self inflicted *injury* or suicide;

6.6 *you* engaging in:

6.6.1 practice for or participation in football of any code;

6.6.2 driving or riding in any kind of race;

6.6.3 motor cycling;

6.6.4 any underwater activities;

6.6.5 working underground;

unless advised by *you* and agreed to by *us*;

6.7 *you* taking part in a riot or civil commotion, acting maliciously or taking part in criminal activity;

6.8 pregnancy or any complications arising from pregnancy, and childbirth;

6.9 HIV (AIDS) and/or related viruses or related conditions;

6.10 sexually transmitted diseases;

- 6.11 nuclear weapons material;
- 6.12 ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion will include any self-sustaining process of nuclear fission or fusion;
- 6.13 any mental disorder, morbid state of mind or psychological disorder (whether manifesting itself with physical symptoms or otherwise ) unless due to an *injury* as defined in this *PDS*;
- 6.14 Terrorism
  - 6.14.1 any *act of terrorism* regardless of any other cause or event contributing concurrently or in any other sequence to the *injury* or *illness*; or
  - 6.14.2 any action taken in controlling, preventing, suppressing or in any way relating to an *act of terrorism*.

## GENERAL CONDITIONS

### 7. NOTIFICATIONS

*You* must notify *us* immediately:

- 7.1 if there is any change in *your occupation*. *You* must the pay any additional premium *we* may reasonably require;
- 7.2 if *you* take out any cover for *weekly benefits* of a similar kind which, if paid together with *weekly benefits* under this *PDS*, will exceed 80% of *your* average weekly earnings;
- 7.3 *your* average weekly earnings are less than 80% of the *weekly benefits* payable under this cover.

### 8. MISREPRESENTATION AND NON- DISCLOSURE

If you have:

- 8.1 failed to disclose any matter which *you* were under a duty to disclose to *us*; or
- 8.2 made a misrepresentation to *us* before this insurance contract was entered into;
 

and as a consequence *we* would not have entered into or remained in this insurance contract for the same premium and on the same terms and conditions expressed in this *PDS*, then;
- 8.3 *our* liability in respect of any claim shall be reduced to an amount to place *us* in the same position that *we* would have been placed in had the failure to disclose not occurred or the misrepresentation had not been made; or
- 8.4 if *your* non-disclosure or misrepresentation was fraudulent, *we* may avoid this insurance contract.

## 9. CANCELLING *YOUR* INSURANCE

*Your* insurance contract may be cancelled:

### 9.1 **By *You***

9.1.1 *You* may cancel *your* insurance contract within the 21 Day Cooling-Off Period, and the terms of that agreement will apply.

9.1.2 Outside the 21 Day Cooling- Off Period *you* may cancel *your* insurance contract by providing written notice to *us*. *Your* insurance will be cancelled from the date *we* receive the written request.

### 9.2 **By *Us***

9.2.1 *We* may cancel *your* insurance contract by notifying *you* in writing. This notice shall be delivered to *you* personally or posted to *you* at *your* last known address. Cancellation of this insurance contract shall be effective from 4:00pm on the third business day after delivery of this notice or at the time when *you* enter into another contract of insurance intended to replace this insurance contract, whichever is sooner.

9.2.2 *We* may cancel *your* insurance contract if, for example:

- *You* make a misleading statement when applying for this insurance;
- *You* fail to comply with the conditions of the insurance;
- *You* fail to pay the premium;
- *You* make a fraudulent claim

## 10. REFUNDS

10.1 If you cancel your insurance contract outside the 21 Day Cooling Off Period *we* will refund the balance of premium in respect of any unexpired period of this insurance (including government charges) subject to retaining our minimum premium of \$242 or any other amount shown in the certificate of insurance.

10.2 In most cases refunds of premium do not apply to insurance contracts paid by instalments.

## 11. RENEWAL PROCEDURE

11.1 Prior to the expiry of *your* insurance cover *we* will write to *you* about the renewal of *your* insurance.

11.2 If renewal is invited *you* should carefully check the details contained in *your* renewal invitation, such as:

- The name/s of *the insured person*
- The *weekly benefit* amount
- The *excess* period applicable

## 12. HOW TO MAKE A CLAIM

- 12.1 Should **you** suffer an ***injury*** or ***illness*** that may give rise to a claim under this insurance;
- 12.1.1 **you** or **your** legal personal representative must notify **us** immediately;
- 12.1.2 **you** or **your** legal personal representative must give **us** full details of the circumstances of the ***injury*** or ***illness*** in writing on the appropriate claim form as soon as possible, and provide at **your** expense, all medical and other certificates and evidence which **we** may reasonably require to assess **your** claim;
- 12.1.3 **you** must undergo any medical examination which **we** may require in order to assess the claim, which **we** will arrange at **our** expense;
- 12.1.4 **we** will be entitled to conduct a post mortem examination, at **our** expense, in the event of **your** death;
- 12.1.5 **you** must notify **us** of any other insurance which covers the same loss or **benefits**;
- 12.1.6 **you** must notify **us** of any entitlement that **you** may have to sick leave, workers compensation or statutory motor **accident** compensation legislation.
- 12.2 **your** obligation to notify **us** extends to an obligation to continue notifying **us** of any changed or updated circumstances as described above.

## 13. GOVERNING LEGISLATION

This contract is governed by the *Insurance Contracts Act 1984*.

## 14. TERRITORIAL LIMIT

The Cover under this insurance is worldwide.

END OF SECTION

