



Motor Fleet

Insurance policy

The Schedule

Insured:	xxx and/or subsidiary and/or related bodies corporate as defined under the Corporations Act 2001 (Cth) and/or financiers and all parties for whom the Insured undertakes to insure for their respective rights, interests and liabilities
Other Insured Entities:	xxx
Business:	Principally xxx and any other activities incidental thereto in which the Insured is or may become engaged during the currency of this Policy.
Period of Insurance:	From: 4.00 p.m. on xxx To: 4.00 p.m. on xxx Both Local Standard Time at the Insured's head office.
Geographical Limits:	Anywhere in Australia, or New Zealand including whilst being transported by sea, land or air and transport between ports and places in Australia and/or New Zealand.
Type of Cover Options:	<p>(a) Comprehensive Refer to the Schedule of Vehicles</p> <p>(b) Third Party, Fire and Theft Refer to the Schedule of Vehicles</p> <p>(c) Third Party Legal Liability Only Refer to the Schedule of Vehicles</p> <p>(d) Own Damage Only Refer to the Schedule of Vehicles</p>
Insured Vehicles:	All Vehicles, as defined, declared by the Insured: Total Number of Vehicles declared: xxx Total Value of Vehicles declared: \$xxx
Sum Insured:	Section 1 - Damage to the Insured Vehicle As specified in the Schedule of Vehicles, the Market Value, or the Agreed Value of the Insured Vehicle at the time of the Accident or event, not exceeding the Maximum Policy Sum Insured arising from any one Accident or event.
Maximum Policy Sum Insured: (Section 1 Only)	\$15,000,000
Limit of Liability:	Section 2 - Legal Liability for Personal Injury and/or Property Damage \$xxx in respect of each claim or series of claims arising out of any one Accident or event insured against herein.
Sub Limits:	Section 1 - Damage to the Insured Vehicle Cover as more fully described in the policy ed in the policy Chains, gates, dividers, curtains, winches or tarpaulins \$xxx Removal and Delivery Costs \$xxx Re-Delivery following Theft \$xxx Clean Up Debris Removal Costs \$xxx

Costs of completing Journey or for Accommodation and/or Repatriation	\$xxx
Temporary or Emergency Repairs	\$xxx
Expediting Expenses	Up to \$xxx
Recovery Costs – No damage	\$xxx
Employees Personal Property	\$xxx
Employees Personal Property- Trailers	\$xxx
Employees Personal Vehicles	\$xxx
First Aid/Medical and Related expenses	\$xxx
Family Travel Expenses	\$xxx
Funeral Expenses	\$xxx
Disability Modification	\$xxx
Locks and Keys	\$xxx
Unspecified Trailers	\$xxx
Uninsured Motorists Benefit	\$xxx
Replacement Vehicle Hire or Alternative Transport Following Theft	\$xxx
Automatic Additions	\$xxx

Section 2 - Legal Liability for Personal Injury and/or Property Damage

Transportation of Dangerous Goods	\$xxx
Trauma Counselling	\$xxx

Combined Section 1 and 2

Public Relations Expense	\$xxx
Claims Preparation Costs	\$xxx

Excess:

The Insured shall bear the following amounts in respect of each claim or series of claims arising out of any one Accident or event insured against hereunder.

Basic Excess: \$xxx

Age and Inexperienced Driver Excess: \$xxx

Premium:

As agreed

Endorsements: As described in the Schedule of Endorsements (if any) attached to this Policy:

Signed on behalf of the Insurer(s) at:

Insurer	Policy No.	Participating Share	Signed	Dated
xxx		100%		

Endorsements

POLICY WORDING

THIS DOCUMENT IS PART 2 OF A TWO PART PRODUCT DISCLOSURE STATEMENT (PDS), PART 1 CONTAINS IMPORTANT INFORMATION ABOUT YOUR MOTOR FLEET INSURANCE. BOTH PART 1 AND PART 2 MUST BE PROVIDED TO YOU AND TOGETHER FORM THE PDS

PREPARATION DATE: 5 April 2021

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Insuring clause

In consideration of the Insured having paid or agreed to pay to the Insurer the Premium required for this insurance, the Insurer agrees (subject to the terms, Conditions, Exclusions, Definitions, Memoranda, limitations and other provisions contained herein or endorsed hereon) to indemnify the Insured as described in The Indemnity to Section 1 and The Indemnity to Section 2.

Type of cover

Where the Type of Cover Option as shown in the Schedule of Vehicles is:

(a) **"Comprehensive"** cover is provided for:

- (i) Damage to the Insured Vehicle as described in Section 1 of this Policy, and
- (ii) Legal Liability as described in Section 2 of this Policy,

arising from or as a result of an Accident or event which is covered by this Policy;

(b) **"Third Party, Fire and Theft"** cover is provided for:

- (i) Legal Liability as described in Section 2 of this Policy arising from or as a result of an Accident or event which is covered by this Policy, and
- (ii) Damage to the Insured Vehicle as described in Section 1 of the Policy but only such Damage arising from or as a result of fire and/or Theft which is covered by this Policy,

The following clauses do not apply where this cover is selected:

- Section 1 Basis of Settlement Clause 2
- Section 1 Memoranda 3- Mechanical Plant
- Section 1 Memoranda 4- Towed Vehicles
- Section 1 Memoranda 7.5- Costs of Completing Journey or for Accommodation and/or Repatriation
- Section 1 Memoranda 7.8- Attendance of Fire Brigade and/or Policy and/or Other Authorities
- Section 1 Memoranda 7.9- Faultless Excess
- Section 1 Memoranda 7.11- General Average and Salvage Charges
- Section 1 Memoranda 7.14- Employees' Personal Property
- Section 1 Memoranda 7.15- Employees' Personal Vehicles

(c) **"Third Party Legal Liability Only"** cover is only provided as described in Section 2 of this Policy, arising from or as a result of an Accident or event which is covered by this Policy.

Section 1 of this Policy shall be deemed inoperative.

(d) **"Own Damage Only"** cover is only provided to the Insured Vehicle as described in Section 1 of this Policy arising from or as a result of an Accident or event which is covered by this Policy.

Section 2 of this Policy shall be deemed inoperative.

Where the Type of cover option is not declared in the Schedule of Vehicles or elsewhere in this policy, then the type of cover provided shall be "Comprehensive" until the Insured shall request otherwise prior to the occurrence of any Accident or event.

Definitions

For the purpose of this Policy, the following terms shall bear the meanings ascribed to them hereunder.

“Accident” means an unplanned, unforeseen, unintended and unexpected event involving an Insured Vehicle(s) which occurs suddenly causing Damage, Property Damage or Personal Injury.

“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, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

“Agreed Value” means the specific value of an Insured Vehicle agreed between the Insurer and the Insured at the commencement of each Period of Insurance, payable in the event of an Accident happening during the Period of Insurance which results in the Total Loss of the Insured Vehicle.

“Business” means the business of the Insured as specified in the Policy Schedule including activities which are substantially of the same kind or carried out in connection with that Business.

“Damage” means physical loss, destruction or damage not otherwise excluded by this Policy.

“Dangerous Goods” means dangerous goods or explosives defined in the relevant legislation, regulations and codes for the transportation of dangerous goods applicable in Australia or New Zealand at the time of carriage of those dangerous goods or explosives.

“Excess” means the amount(s) specified in the Policy Schedule, being the Basic Excess, and/or the Age and Inexperienced Driver Excess (as applicable) and is that part of the total claim payable under the Policy for Damage and Legal Liability, that the Insured must bear arising from each Accident.

Provided always that:

- (a) claims solely with respect to broken window(s) and/or windscreens (where there is no other Damage sustained by the Insured Vehicle) shall not be subject to any Excess; and
- (b) for any claims relating to theft or malicious damage, hail windstorm or flood, or damage whilst parked only the Basic Excess will apply.

For the purpose of this definition:

- (i) Age Excess applies to drivers under the age of 25 at the time of Accident
- (ii) Inexperienced Driver Excess applies to drivers who have held a valid Australian or New Zealand driver's licence for less than 12 months at the time of Accident.

“Family” means a spouse (de jure or de facto), a parent, a sibling, a child; a parent, sibling or child of a spouse (de jure or de facto) of the driver of an Insured Vehicle.

“Geographical Limits” means anywhere in Australia or New Zealand, including whilst being transported by sea, land or air and transport between ports and places in Australia and/or New Zealand.

“Insured” means the corporation or other entity specified in the Policy Schedule as the Insured and all Related Bodies Corporate of the Insured (as that term is defined in the *Corporations Act 2001* (Cth)) now or hereafter constituted or acquired; and, at the discretion of the Insured, or any person specified in the Policy Schedule.

“Insured Vehicle” means all Vehicles, including Parts and/or Accessories, of whatsoever kind and description now existing as declared in the Schedule of Vehicles or subsequently acquired being used in the Business of the Insured or otherwise covered under this Policy:

- (a) being the Insured’s own, or on loan, hire, lease or rental to the Insured and/or held in trust or on commission by the Insured and/or for which the Insured is responsible or has assumed responsibility (including, at the option of the Insured, Vehicles owned by directors, partners, proprietors, executives, officers or employees of the Insured) and/or in which the Insured has an interest and/or for which the Insured has received instructions to insure;
- (b) subject to the provisions of the Memorandum 2 of Memoranda applicable to Sections 1 and 2 contained in this Policy, any similar Vehicles acquired in addition to or in substitution for the Vehicles described in Clause (a) above; and
- (c) being used in substitution for a Vehicle described in Clause (a) above which is not then in use.

“Insurer” means the insurance company as specified in the Policy Schedule.

“Limit of Liability” means the limit and sub limits of liability under Section 2 of this Policy for amounts payable thereunder, in respect of each claim or series of claims arising out of any one Accident or event as specified in the Policy Schedule.

“Market Value” means the value that the market would pay for your vehicle just before the loss or Damage occurs, based upon the make, model, age, kilometres travelled, condition and location of your vehicle exclusive of GST and stamp duty.

“Parts and/or Accessories” includes but is not limited to:

- (a) any standard, factory fitted, dealer fitted or after-market accessories attached to the Vehicle, spare parts, tools, emergency and servicing equipment, sign writing, art-work, advertising signs relevant to the Vehicle;
- (b) radio receivers and transmitters, compact disc players, television monitors, satellite navigation devices or similar or related electrical or electronic equipment and/or air-conditioning units that are fixed; or
- (c) gates, chains, ropes, tarpaulins, binders, fences and other articles or materials used to cover or secure loads,

including any of the aforesaid interest owned by employees or directors of the Insured.

“Period of Insurance” means the period specified in the Policy Schedule.

“Personal Injury” means bodily injury to or the death of any person, which results from an Accident or event.

“Policy” means this document, the Policy Schedule, the Schedule of Vehicles and any endorsement, restriction, specification, attachment or memoranda affixed to the Policy and any other document that we agree in writing will form part of the Policy.

“Policy Schedule” means the most current Policy Schedule issued by the Insurer in connection with this Policy.

“Premium” means the amount paid or payable by the Insured for the insurance provided under this Policy.

“Property Damage” means Damage (as defined above) including damage to tangible property belonging to other parties, including

"Schedule of Vehicles" means the Vehicles declared to the Insurer at the commencement of the Period of Insurance and as amended during the Period of Insurance. The Schedule of Vehicles shall include details of each Insured Vehicle, the Sum Insured and the Type of Cover Option selected for each Insured Vehicle.

"Sum Insured" means the maximum amount payable as specified in the Policy Schedule.

"Theft" means the theft or attempted theft of the Insured Vehicle by any person other than the Insured.

"Total Loss" means the Insured Vehicle is:

- (a) damaged beyond repair or the cost of repairing the Insured Vehicle is not reasonably economical or is greater than the maximum amount payable in respect of any one loss in respect of the Insured Vehicle less the value of any salvage;
- (b) written off as unsafe to repair in compliance with applicable legislation that applies relating to badly damaged Vehicles with relevant information provided to the relevant authority maintaining the written-off Vehicle register; or
- (c) lost or stolen and not recovered within 14 days.

"Vehicle" means:

- (a) any mechanically propelled Vehicle designed for use on land (excluding Vehicles running or stationary on rails and/or cables);
- (b) any trailer or caravan or mobile plant and equipment including self-propelled agricultural machines;
- (c) any other Vehicle or equipment which is not mechanically propelled,
- (d) Parts and/or Accessories permanently attached to the Vehicle.

Section 1 - Damage to the Insured Vehicle

The Indemnity

The Insurer will indemnify the Insured, after deduction of any applicable Excess, in accordance with the Insuring Clause, in the event of Damage to the Insured Vehicle arising from or as a result of an Accident or event (including fire and/or Theft) which is covered by this Policy and occurs during the Period of Insurance and within the Geographical Limits.

Basis of Settlement Applicable To Section 1

The Insurer will, depending on the most appropriate option having regard to the circumstances of the claim and whether you have a preference either:

- (a) repair, reinstate or replace the Insured Vehicle or make a cash payment equivalent to the insurer's cost of repairing, reinstating or replacing the Insured Vehicle; or
 - (b) pay the Market Value of the Insured Vehicle or the Agreed Value, whichever is specified in the Schedule of Vehicles,
- (1) The Insurer's liability under this Section in respect of any one claim or series of claims arising out of any one Accident or event shall not exceed the Sum Insured selected by the Insured as detailed in the Schedule of Vehicles or elsewhere in this Policy.

Where the Insurer replaces the Insured Vehicle under option (a) of the Basis of Settlement, the Insurer will also pay all registration, compulsory third party insurance, stamp duty, dealer charges and other on road costs on the replacement Vehicle in addition to the Sum Insured amount, however any refund of registration fees and compulsory third party insurance applicable to the Insured Vehicle replaced must be paid to the Insurer.

Where the Insurer has indemnified the Insured by payment of the full Market Value or Agreed Value of the Insured Vehicle (less the amount of the applicable Excess) then such Insured Vehicle or any salvage thereof shall thereupon become the property of the Insurer. Should the Insured elect to retain lawful possession of the salvage and the Insurer agrees, the amount representing the value of the salvage to the Insurer will be deducted from the claim settlement.

- (2) Notwithstanding Basis of Settlement (1), in the event of any Insured Vehicle becoming a Total Loss:
- (a) within two (2) years of its original registration where the Insured Vehicle is a sedan, station wagon, panel van, 4WD, utility or truck, mini bus, rigid body truck, prime mover, including attached articulated trailers or any other goods carrying Vehicle; or
 - (b) within one (1) years of its original registration if the Insured Vehicle is a type other than as described in Basis of Settlement (2)(a) above,

the Insurer will, at the option of the Insured (and with the consent of any financier where applicable) replace such Insured Vehicle with a new Vehicle of the same make, model or series including Parts and/or Accessories which are reasonably necessary, so long as it is available in the country where the damaged Vehicle is normally garaged including all on road costs less refunds of registration fees and Compulsory Third Party (CTP) and Motor Accident Injuries (MAI) insurance applicable for the replaced Insured Vehicle. Where Parts and/or Accessories are not replaced, the Insurer will, depending on the most appropriate option having regard to the circumstances of the claim:

- (a) Repair Parts and/or Accessories or make a cash payment equivalent to the cost of repairing Parts and/or Accessories Damaged at the same time of the Damage to the Insured vehicle; and/or
- (b) Pay the cost to install to the replacement vehicle any Parts and/or Accessories repaired under (a) above and/or those which were undamaged and permanently attached to the Insured Vehicle at the time of the Damage to the Insured Vehicle.

However, if a new replacement Vehicle is not available, the Insurer will replace the Insured Vehicle with the nearest equivalent and suitable replacement Vehicle that is available in the country that the Insured Vehicle is normally garaged including all on road costs

less refunds of registration fees and compulsory third party insurance applicable for the replaced Insured vehicle.

If an Excess is applicable, it is payable to the Insurer promptly after the Insurer confirms to the Insured that a suitable replacement Vehicle is available or will be deducted by the Insurer from any cash payment, as relevant.

Provided always that if the Insured opts to receive a cash payment instead of a replacement Vehicle or the Insured and the Insurer cannot agree upon a suitable replacement Vehicle or no suitable replacement Vehicle is available in the country that the Insured Vehicle is normally garaged, then the Insurer will pay to the Insured the amount of the actual purchase price which the Insured paid for the Insured Vehicle, including delivery charges and stamp duty where applicable.

In the event of any Insured Vehicle becoming a Total Loss and the Insurer has indemnified the Insured by payment of the full Market Value or Agreed Value or Replaced the Insured Vehicle, cover for that Insured Vehicle comes to an end and there will be no refund of the premium for the unexpired Period of Insurance.

Exclusions Applicable to Section 1

The Insurer will not be liable to pay for:

1. loss of use (except as provided in Section 1, Additional Benefits, Memorandum 7.20 titled "Replacement Vehicle Hire or Alternative Transport following Theft");
2. Damage caused by depreciation, wear and tear, rust or corrosion;
3. Damage to any of the Insured Vehicle's tyres by application of brakes or by road punctures, cuts, blow-outs or bursting, unless such Damage arises as a result of the Insured Vehicle being involved in an Accident or event for which indemnity is provided by this Policy;
4. structural failure, mechanical, electrical or electronic breakdown or failure of any part of the Insured Vehicle, unless such breakdown or failure arises as a result of an Accident or event for which indemnity is provided by this Policy;

This exclusion shall not apply to Damage caused as a result of using incorrect fuel.

5. loss by Theft after the occurrence of an Accident or event, unless reasonable steps have been taken to ensure the security and safety of the Insured Vehicle and all other property the subject of indemnity under Section 1; or
6. Damage occasioned by lawful seizure of the Insured Vehicle or other operation of law,

provided that Exclusions 3 to 5 shall not apply to any subsequent Damage otherwise insured by this Policy.

Memoranda Applicable To Section 1

Except to the extent that this Policy is hereby modified by the following Memoranda the terms, Conditions and limitations of this Policy shall apply.

1. Interested Parties

Section 1 of this Policy extends to cover any other person or party or trust arrangement who has an insurable interest in the Insured Vehicle by way of loan, rental, lease, hire purchase or other agreement.

At the commencement of the Period of Insurance or when such a valid interest in an Insured Vehicle arises, details of such other person or party shall be given to the Insurer and they shall be subject to the terms and Conditions of this Policy in so far as they may reasonably be applied.

2. Additional Insured

Section 1 of this Policy extends to indemnify any director, partner, proprietor, executive, officer, employee, volunteer or contractor of the Insured at the request of the Insured and subject to agreement by the Insurer (such agreement not to be unreasonably withheld).

3. Mechanical Plant

Section 1 of this Policy extends to cover Damage to any mechanical plant, crane, lifting equipment, compressor or the like, which is insured as a Vehicle, whilst it is in use for its specific purpose.

4. Towed Vehicles

Section 1 of this Policy extends to cover Damage which may be sustained by any Insured Vehicle whilst it is being towed.

5. Repair Guarantee

Where the Insurer authorises and manages repairs to the Insured Vehicle, the Insurer will guarantee the quality of the authorised repairs for any defect due to faulty workmanship or faulty material for as long as the Insured owns or leases the Vehicle. This guarantee is not transferable.

6. Automatic Reinstatement

Following payment of a claim under this Policy, other than a claim under Section 1 for Total Loss of the Insured Vehicle, the Insurer will reinstate the amount of the indemnity provided immediately prior to payment of the claim.

7. Additional Benefits

Following Damage to an Insured Vehicle covered under Section 1, the Insurer will also indemnify the Insured for the following loss, costs and expenses in addition to and not limited by the Sum Insured, unless stated otherwise in the Additional Benefit.

7.1 Chains, gates, dividers, curtains, winches or tarpaulins

The replacement of chains, gates, divider curtains, winches or tarpaulins which are attached to or within any Insured Vehicle when they suffer Damage as a result of an Accident involving the Insured Vehicle.

The liability of the Insurer under this Additional Benefit shall not exceed the sub limit specified in the Policy Schedule in respect of any one claim or event.

7.2 Removal and Delivery Costs

The reasonable costs and expenses of protection and removal of the Insured Vehicle to the nearest repairer or place of safety or to any other place approved by the Insurer, after the occurrence of Damage insured against by this Policy, and the reasonable cost of delivery after repair to the usual place of garaging the Insured Vehicle.

The Insurer's liability under this Additional Benefit is limited to the sub limit specified in the Policy Schedule in respect of any one claim or event.

7.3 Re-Delivery following Theft

The reasonable costs and expenses of returning the Insured Vehicle to its usual place of garaging, in the event of its recovery following the Theft or unlawful use of the Vehicle.

The Insurer's liability under this Additional Benefit is limited to the sub limit specified in the Policy Schedule in respect of any one claim or event.

7.4 Clean Up Debris Removal Costs

All reasonable costs and expenses to clean up and/or remove any debris arising from an Accident involving the Insured Vehicle, by goods falling from the Insured Vehicle, or the spillage or leakage of the load carried by the Insured Vehicle.

These costs shall include costs, charges and expenses incurred for any cleaning and or decontamination, provided that the Insurer's liability in respect of all such costs, charges and expenses shall not exceed the sub limit specified in the Policy Schedule in respect of any one event.

7.5 Costs of Completing Journey or for Accommodation and/or Repatriation

The reasonable cost of:

- (a) a taxi fare not exceeding \$200 paid by the Insured for transport of the driver from the scene of an Accident if the Insured Vehicle is Damaged and requires towing;
- (b) hiring another Vehicle of similar make and model to complete the journey;
- (c) returning the driver and any non-fare paying passengers to the point of departure or to the driver's place of residence or intended destination; and
- (d) overnight accommodation if the journey cannot be completed within the day following the loss or Damage following an Accident for which indemnity is provided hereunder.

The liability of the Insurer under (a), (b), (c) and (d) of this Additional Benefit shall not exceed the sub limit specified in the Policy Schedule in respect of any one event.

7.6 Temporary or Emergency Repairs

The reasonable additional costs necessary to effect immediate temporary or emergency repairs necessary to drive the Insured Vehicle to the point of departure or nearest place of safety or any other place approved by the Insurer.

The Insurer's liability under this Additional Benefit is limited to the sub limit specified in the Policy Schedule in respect of any one claim or event.

7.7 Expediting Expenses

The reasonable additional costs when necessary of expediting permanent repairs to the Insured Vehicle. Provided that the Insurer's liability for such additional costs in respect of any one Accident shall not exceed the sub limit specified in the Policy Schedule per Insured Vehicle.

7.8 Attendance of Fire Brigade and/or Police and/or Other Authorities

Costs and expenses levied upon the Insured by the following authorities consequent upon an Accident or event involving an Insured Vehicle, for attendance of personnel, appliances and equipment and for services rendered at the scene of any Accident or event by:

- (a) any police force;
- (b) any fire brigade or emergency services organisation; or
- (c) any other governmental authority.

7.9 Faultless Excess

The Insured will not be required to pay the Basic Excess, and/or the Age and/or Inexperienced Driver Excess applicable if:

- (a) the Insured Vehicle is a sedan, station wagon, 4WD, panel van, utility or goods carrying Vehicle under 2 tonnes gross Vehicle mass;
- (b) the Accident was the fault of the driver of another Vehicle; and
- (c) the other driver and other Vehicle can be identified (the Insured should take reasonable steps to obtain and provide the Insurer with information regarding the identity of the other driver, including their name and address, and the registration number of the other Vehicle involved, to assist with meeting this requirement). If due to the circumstances of the Accident or event, the Insured is unable to obtain the name and address of the person at fault and/or the registration number of the at fault vehicle, the Insured should inform the Insurer.

However, should fault be a matter of dispute, the Insured will be required to pay any such Excess amount which will be refunded should the Insurer be successful in establishing that the other driver was at fault for the Accident.

7.10 Vehicles under Lease or Commercial Hire Purchase

If an Insured Vehicle, being subject to a lease agreement or commercial hire purchase agreement suffers Damage covered by this Policy and becomes a Total Loss during the Period of Insurance and the Insured has not been supplied with a replacement Vehicle under Clauses 1 or 2 of the 'Basis of Settlement Applicable to Section 1' by the Insurer, the Insurer will pay the costs and charges necessary to discharge the lease agreement or commercial hire purchase agreement including the pay-out figure.

The Insurer however, will not pay:

- (a) outstanding payments, costs and charges for any period prior to the date of the Damage; or
- (b) more in total for the Insured Vehicle for this Additional Benefit than 20% of the Market Value, or Agreed Value thereon stated in the Schedule of Vehicles applicable at the date of the Damage.

7.11 General Average and Salvage Charges

The amount which the Insured may be called upon to contribute towards general average and salvage charges following transport of the Insured Vehicle by sea between ports and places within Australia or New Zealand and the happening of any Accident or event which gives rise to the application of maritime law entailing the imposition of such charges.

7.12 Recovery Costs – No Damage

The reasonable costs and expenses (excluding any allowance for profit) of the Insured in the recovery or retrieval of an Insured Vehicle in the event of it becoming unintentionally immobilised in any situation other than as a result of mechanical, electrical or electronic failure or Accident related Damage where the Insured provides their own labour and equipment to recover or retrieve the Insured Vehicle.

The Insurer's liability under this Additional Benefit is limited to the sub limit specified in the Policy Schedule in respect of any one claim or event.

7.13 Stamp Duty for Transfer of Ownership

The amount payable by the Insurer for a Total Loss settlement under Section 1 shall include stamp duty and transfer fees based on the value of the Insured Vehicle immediately before the loss or damage that are due on the transfer of ownership of a replacement Vehicle into the Insured's name.

7.14 Employees' Personal Property

The Insurer will indemnify any employee of the Insured, as though such person was the Insured, for:

- (a) uninsured personal property other than cash, negotiable instruments, jewellery, computers, laptops, personal navigation equipment or a trailer and not being goods or samples carried in connection with any trade or Business, whilst in the Insured Vehicle, which are:
 - (i) lost or damaged in an Accident involving an Insured Vehicle; or
 - (ii) stolen from a locked Insured Vehicle; or
 - (iii) stolen at the same time as the Insured Vehicle.

The Insurer's liability under this Additional Benefit 7.14(a) is limited to the sub limit specified in the Policy Schedule in respect of any one Accident or event.

- (b) an uninsured trailer whilst attached to and Damaged in an Accident involving the Insured Vehicle. The Insurer's payment will make due adjustment for depreciation, age and general wear and tear of the item.

The Insurer's liability under this Additional Benefit 7.14(b) is limited to the lesser of \$500 or the value of the trailer for any one Accident or event.

7.15 Employees' Personal Vehicles

Repairing loss or Damage to a Vehicle belonging to an employee or volunteer of the Insured's which is involved in an Accident while being used in connection with the Insured's Business with the Insured's prior consent and for which the employee is not otherwise insured. The Sum Insured shall be Market Value of the Insured Vehicle at the time of the Accident or event.

Otherwise the Insurer will cover the employee or volunteer for:

- (a) any loss of no claim bonus or change in rating number under the employee's private policy in consequence of the Accident; and
- (b) the excess paid by the employee under personal motor insurance which is not recoverable from a third party.

The Insurer's liability under this Additional Benefit for any employee's Vehicle is Limited to the sub limit specified in the Policy Schedule in respect of any one Accident or event.

7.16 First Aid/Medical and Related Expenses

Where the Insured or the Insured's driver has been involved in an Accident involving Damage to the Insured Vehicle where injury is sustained by another party, the Insurer will pay up to the sub limit specified in the Policy Schedule, towards the costs incurred by the Insured or the Insured's driver for first aid treatment administered to the other party.

7.17 Family Travel Expenses

Where the Insured's driver or accompanying passenger(s) sustain Personal Injury requiring hospitalisation as a result of an Accident involving the Insured Vehicle and a claim for Damage to the Insured Vehicle is payable, the Insurer will also pay for transport, accommodation, meals and related expenses incurred by the Insured for members of the Family or the legal guardian of the driver or accompanying passenger(s) to attend hospital.

The liability of the Insurer under this Additional Benefit shall not exceed the sub limit specified in the Policy Schedule in respect of any one event.

7.18 Funeral Expenses

Where the Insured's driver or accompanying passenger(s) sustain Personal Injury as a direct result of an Accident whilst using an Insured Vehicle on the Business of the Insured, which results in the death of the driver and/or accompanying passenger(s), the Insurer agrees to pay for transportation of the body of the deceased person(s) and funeral, burial or cremation costs.

This benefit will not be reduced by any Accident compensation and the Insurer will pay up to the sub limit specified in the Policy Schedule per Accident or event.

7.19 Disability Modifications

For necessary modifications to the Insured Vehicle or the driver's private Vehicle where a claim for Damage to an Insured Vehicle is payable and the injuries sustained in the Accident renders the Insured's driver with a permanent disability that necessitates Vehicle modifications.

The liability of the Insurer under this Additional Benefit shall not exceed the sub limit specified in the Policy Schedule in respect of any one event.

7.20 Replacement Vehicle Hire or Alternative Transport Following Theft

This Policy extends to indemnify the Insured for all reasonable costs (including insurance premiums but not operational or running costs) of hiring a comparable substitute Vehicle, for a period of not exceeding 30 days, in the event of Theft of the Insured Vehicle, including whilst the Insured Vehicle is being repaired or recovered from said theft.

The Insurer's liability for hiring costs shall be limited to an amount not exceeding the sub limit specified in the Policy Schedule per Insured Vehicle in respect of any one Accident or event.

Should the Insured elect not to hire a substitute Vehicle but instead use alternative means of transport, the Insurer will pay such costs incurred by the Insured including for taxis of any description or public transport, up to a maximum amount of \$150 per day commencing from the date of the Theft and not exceeding in total per Accident or event, the sub limit stated in the Policy Schedule and further limited to a period not exceeding 30 days or any earlier date upon which the Insured Vehicle is repaired, or replaced or paid for by the Insurer in accordance with the Basis of Settlement applicable to Section 1. If it is established that Theft of the Insured Vehicle is not insured under this Policy, the Insured must promptly repay to the Insurer any amounts paid under this Additional Benefit, upon written request.

7.21 Tyre Replacement

The Insurer will pay for the replacement cost of a new tyre of a similar make and specification if any tyre of the Insured Vehicle is Damaged or destroyed and cannot be used as result of an Accident, provided that the condition of the damaged tyre, before it was damaged, conformed with legal requirements and it was not a recapped or re-tread tyre.

7.22 Locks and Keys

The reasonable costs of replacing the key ignition barrel (including all locks and keys if required) and/or re-coding of the Insured Vehicle's locks if the keys to the Insured Vehicle are lost, destroyed or damaged, or if there are reasonable grounds to believe that the keys may have been duplicated, up to a maximum of the sub limit stated in the Policy Schedule per event, per Vehicle.

7.23 Signwriting and Advertising

The reasonable costs of replacing signwriting, fixed advertising or material forming a permanent part of the Insured Vehicle following damage to the Insured Vehicle.

7.24 Unspecified Trailers

The reasonable cost of repairing any trailer owned by the Insured weighing less than 2 tonnes not otherwise specified in the Schedule of Vehicles, which is damaged in an Accident whilst attached to an Insured Vehicle.

The Insurer's liability under this Additional Benefit is limited to the lesser of the sub limit stated in the Policy Schedule or the market value of the trailer.

7.25 Uninsured Motorists Benefit

If a Vehicle is not insured under Section 1 of this Policy, or the cover is limited to Fire and Theft under Section 1, but is insured under Section 2 of this Policy, the Insurer will indemnify the Insured in accordance with the Basis of Settlement shown in Section 1 for Damage to the Vehicle as a result of collision with another Vehicle, including the reasonable towing costs to the nearest repairer or place of safety provided that:

- (a) the collision was the fault of the other driver; and
- (b) the other driver and other Vehicle can be identified (the Insured should take reasonable steps to obtain and provide the Insurer with information regarding the identity of the other driver, including their name and address, and the registration number of the other Vehicle involved, to assist with meeting this requirement). If due to the circumstances of the Accident or event, the Insured is unable to obtain the name and address of the person at fault and/or the registration number of the at fault vehicle, the Insured should contact the Insurer; and
- (c) the driver and/or owner of the other Vehicle was uninsured for their third party liability, or the Insurer is unable to confirm this through its enquiries within a reasonable period of time; and
- (d) the maximum amount the Insurer will pay under this benefit is as per the sub limit stated in the Policy Schedule per event per Vehicle.

Section 2 - Legal Liability for Personal Injury and/or Property Damage

The Indemnity

The Insurer will indemnify the Insured against liability at law for damages or compensation in respect of Personal Injury and/or Property Damage arising from or as a result of an Accident or event which is covered by the Policy, occurring during the Period of Insurance and within the Geographical Limits and is caused by or in connection with:

- (a) the Insured Vehicle; or
- (b) goods being carried by or falling from the Insured Vehicle; or
- (c) the operation of loading or unloading the Insured Vehicle within the limits of any carriageway or thoroughfare; or
- (d) the towing by the Insured Vehicle, including accidental detachment from the Insured Vehicle, of:
 - (i) any caravan or trailer (which word shall include any equipment and/or Vehicle which is not mechanically propelled), or
 - (ii) any disabled mechanically propelled Vehicle.

Provided that:

- (i) such towage is not for reward;
- (ii) not more than one disabled mechanically propelled Vehicle is being towed at any one time; and
- (iii) the number of trailers being towed at any one time does not exceed the number permitted by law.

Transportation of Dangerous Goods

The liability of the Insurer under Section 2 for the carriage of Dangerous Goods other than those specifically referred to in the Exclusions Applicable to Section 2, is limited to the sub limit specified in the Policy Schedule in respect of any one Accident or event inclusive of clean-up costs, contamination of, or restitution of, any land or other property unless a higher limit is stated in the Policy Schedule.

Provided the transportation of such Dangerous Goods is in compliance with the:

- (i) Australian Code for the Transportation of Explosives by Road and Rail; and / or
- (ii) Australian Dangerous Goods Code; and / or
- (iii) New Zealand Land Transportation Rule, Dangerous Goods Amendment 2010,

and / or any other relevant legislation, regulations or codes as may be in force from time to time.

Exclusions Applicable to Section 2

This Policy does not cover any liability for:

1. Personal Injury:

- (a) to the extent the Insured is wholly or partly covered or indemnified in any way by any applicable compulsory statutory insurance scheme or accident compensation scheme;
- (b) to the extent that the Insured would have been entitled under any such scheme mentioned in Clause 1 (a) above were it not for the application of any excess applying under the scheme; or
- (c) if the legal liability would have been covered or indemnified, as described in Clause 1 (a), in any way as if the Insured had not failed to:
 - (i) insure the Vehicle;
 - (ii) register the Vehicle; or
 - (iii) comply with the requirements of any statutory or compulsory insurance policy or any statutory or compulsory insurance or compensation scheme or fund.

2. Personal Injury to:

- (a) the Insured or any person driving, using or in charge of the Insured Vehicle;
- (b) any member of the driver's Family;
- (c) any person ordinarily residing with the Insured or with whom the Insured ordinarily resides;
- (d) any employee of the Insured; or
- (e) any person injured by a Vehicle registered in the Northern Territory or New Zealand.

3. Personal Injury and/or Property Damage arising from the use of an Insured Vehicle or substitute Vehicle on a public road when the Insured Vehicle or substitute Vehicle is not registered for use on a public road.

Provided always that Exclusion 3 shall not apply when the Insured has obtained a permit to drive any such unregistered Vehicle on a public road.

4. The Insured or any other person claiming indemnity under this Policy against liability for Property Damage to any property in the physical custody or legal control of the Insured, except as otherwise covered under this Policy but the Insurer will indemnify the Insured or such other person for Property Damage to any premises leased or rented to the Insured arising out of an Accident or event caused by or in connection with the Insured Vehicle during the Period of Insurance.

Provided always that employees' or visitors' Vehicles, including the contents thereof, whilst contained within a car park owned or operated by the Insured shall be deemed not to be in the Insured's physical custody or legal control.

5. Personal Injury, Property Damage and/or loss of use of tangible property which has not been physically lost, destroyed or damaged arising from the use or operation of an insured Vehicle and/or attachment, equipment, tool or apparatus which forms part of the Insured Vehicle whilst engaged in and undertaking its designed purpose of digging, scraping, shoveling, grading, boring, drilling, compacting, harvesting, ploughing, shredding, lifting, clearing, levelling, hosing, vacuuming pumping, spraying, spreading, suction or similar activities.

This exclusion shall not apply in respect of;

- (a) Loading and/or unloading goods onto or from a Vehicle using a crane or lifting device forming part of or mounted on that Vehicle or
 - (b) Vehicle(s) in transit to or from or within a work site; or
 - (c) Vehicles whilst transporting or hauling goods.
6. Fines and penalties or aggravated, exemplary or punitive damages.
7. The Insured or any other person claiming indemnity under this Policy against liability for Personal Injury and/or Property Damage if the Insured Vehicle is being used for the commercial transportation of Dangerous Goods of any kind where the transportation does not comply with the relevant legislation, regulations and codes applying to Dangerous Goods and that non-compliance either caused or contributed to the loss.
8. Dangerous Goods of any kind where the transportation does not comply with the Australian and/or New Zealand Dangerous Goods Code or any other applicable legislation or regulations and that non-compliance either caused or contributed to the loss.

Memoranda Applicable to Section 2

Except to the extent that this Policy is hereby modified by the following Memoranda the terms, Conditions and limitations of this Policy shall apply.

1. Indemnity to Others

Section 2 of this Policy extends to indemnify:

- (a) any person driving or in charge of the Insured Vehicle with the permission of the Insured;
- (b) any person in or on the Insured Vehicle, with the permission of the Insured, or getting into or onto or getting out of or off any such Insured Vehicle;
- (c) any employer, principal or contractor of the Insured arising out of the use by the Insured, or such employer, principal or contractor, of the Insured Vehicle not being a Vehicle belonging to such employer, principal or contractor; and
- (d) the Commonwealth, State, Territory or Local Government arising out of the use by the Insured of the Insured Vehicle on Government business.

2. Employees' Trailers and/or Caravans Extension

Section 2 of this Policy is hereby extended to cover liability arising out of trailers and/or caravans owned by employees of the Insured whilst such trailer and/or caravan was being towed by an Insured Vehicle provided that, where an Accident occurs and there is any other insurance for that event, this cover will not apply except for any amount in excess of the limit of indemnity under the other insurance.

3. Legal Costs

The Insurer will also pay in addition to the Limit of Liability (in connection with claims to which the indemnity expressed by this Policy applies or claims to which, if sustained, such indemnity would apply) the reasonable legal costs, charges and expenses, reasonably incurred, or which a court of law orders to be paid in respect of any legal action which is defended by the Insurer on the Insured's behalf or by the Insured. The Insured should notify the Insurer if it expects to incur legal costs, charges or expenses covered by this Memorandum, before doing so, so that the Insurer can inform the Insured whether it agrees that they are reasonable.

If a payment exceeding the applicable Limit of Liability has to be made to dispose of a claim, the amount payable by the Insurer to pay for reasonable legal costs, charges and expenses will be limited to the proportion of those legal costs, charges and expenses as the Limit of Liability bears to the amount paid to dispose of the claim.

4. Movement of Other Parties' Vehicles

Section 2 of this Policy is hereby extended to cover liability arising out of the movement by the Insured or by any of the Insured's employees, of any Vehicle which:

- (a) is parked in a position which prevents or impedes the loading or unloading of the Insured Vehicle; or
- (b) prevents or impedes the legitimate passage of the Insured Vehicle; or
- (c) prevents or impedes the legitimate passage of any Vehicle to or from the Insured's premises.

For the purpose of this Memorandum, the Vehicle being so moved will not be regarded as property in the physical custody or legal control of the Insured or of any person or party indemnified by this Policy.

5. Non-owned Vehicles

For the purposes of Section 2 of this Policy, the Definition of Insured Vehicle is extended to include any Vehicle not owned or supplied by the Insured, to cover liability, not otherwise insured, whilst such Vehicle is being used in connection with the Business provided its use has been authorised by the Insured.

7. Trauma Counselling

The Insurer will pay the costs incurred up to the sub limit specified in the Policy Schedule for the driver and/or passenger(s) and/or their Family to receive professional counselling services (as prescribed by a qualified medical practitioner) as a result of an Accident involving an Insured Vehicle which results in Personal Injury to the driver and/or passenger(s).)

The cover afforded under this memorandum is only provided to the extent that any payment does not comprise medical expenses or other payment which the Insurer is legally prohibited from paying under legislation including but not limited to the Australian Health Insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth) or applicable legislation in New Zealand.

No excess is applicable to claims lodged under this memorandum.

Memoranda Applicable to Sections 1 and 2

Except to the extent that this Policy is hereby modified by the following Memoranda the terms, Conditions and limitations of this Policy shall apply.

1. Acquired Companies or Organisations

Subject to the provisions of the Memorandum 2 of the Memoranda Applicable to Sections 1 and 2, the insurance provided by this Policy extends to include any company or organisation which is formed or acquired by the Insured during the Period of Insurance. Provided that:

- (a) the Insured holds a controlling interest in such company or organisation;
- (b) the Insured advises the Insurer of its interest in such company or organisation not later than thirty (30) days from the date of such formation or acquisition;
- (c) the Insured declares the number of additional Vehicles to be included to the Insurer and agrees to pay the additional Premium required; and

the Vehicles to be insured are of a like and similar kind to those already insured by this Policy.

2. Automatic Additions

This Policy extends to indemnify the Insured in respect of any Vehicle, purchased, leased, hired or borrowed by the Insured in which the Insured acquires an insurable interest during the Period of Insurance (whether such Vehicle is in addition to or in substitution for any Insured Vehicle) from the time that such interest is acquired, provided that the Vehicle is of a like and similar kind to those currently insured by this Policy.

The Type of Cover Option provided by the Insurer under this Memorandum and premium payable for this protection is 'Comprehensive' unless the Insured shall request otherwise prior to the occurrence of any Accident or event.

Where the cover selected indemnifies the Insured against Damage to the Vehicle, the Sum Insured shall be the Market Value at the time of the Accident or event unless the Insured requests otherwise prior to an Accident or event.

The Premium shall be adjusted at the expiry of the Period of Insurance in accordance with Condition 9 of this Policy or, if different cover is requested by the Insured or a vehicle is not of similar kind to those insured by this Policy or in respect of any Vehicle valued in excess of the sub limit specified in the Policy Schedule.

3. Cross Liabilities

With respect to cover provided under Section 2 of this Policy, this insurance extends to indemnify each of the Insureds herein separately in the same manner and to the like extent as though policies had been issued in each Insured's separate names. In particular, but without limiting the foregoing, section 2 of this Policy shall indemnify each of the parties described in Definition of "Insured" in respect of claims made by any of such parties.

Provided always that;

- 3.1 each of such parties shall be separately subject to the terms, Conditions and Exclusions of this Policy in the same manner and to a like extent as though separate policies had been issued; and
- 3.2 the liability of the Insurer shall not exceed the Limit of Liability or sub limits specified in the Policy Schedule.

4. Errors and Omissions

The Insured's coverage under this Policy will not be prejudiced by any unintentional or inadvertent omission, error or incorrect description of any Vehicle given by the Insured provided notice is given to the Insurer as soon as practicable upon discovery thereof and any required additional Premium is paid.

5. Legal Defence

The Insurer may, at its cost, represent the Insured or any other person or party who or which may be entitled to indemnity under this Policy at any inquest or other official inquiry.

The Insurer may also undertake the defence in any court of law in respect of any alleged offence if, in connection with such alleged offence, any Accident or event has occurred which may be the subject of indemnity under this Policy.

6. Public Relations Expense

The Insurer will also pay the reasonable costs of professional public relations services up to the sub limit specified in the Policy Schedule where those are reasonably required to prevent or limit adverse effects of negative publicity arising out of any Accident or claim made during the Period of Insurance. The Insured should notify the Insurer if it expects to incur costs covered by this Memorandum, before doing so, so that the Insurer can inform the Insured whether it agrees that they are reasonable. This additional cover will not apply if the Insured Vehicle is stolen and not recovered.

7. Hired or Rental Vehicles – Difference in Excess

Sections 1 and 2 of this Policy are extended to cover any difference in the basic Excess level between the Insured's Policy and the Excess level under the insurance coverage provided by the owner of any Vehicle the Insured hires or rents in connection with the Business, where the hire agreement deems the owner of the Vehicle to be responsible for its insurance.

8. Overseas Drivers

This Policy is hereby extended to include claims arising out of the use of the Insured Vehicle by drivers from countries other than Australia or New Zealand provided that the driver:

- (a) has no intention of becoming a resident of Australia or New Zealand;
- (b) has been authorised to drive the Insured Vehicle by the Insured;
- (c) has provided evidence to the Insured that he/she holds a current driver's licence in his/her country of origin showing he/she is licenced to drive Vehicles of the same type as those owned or supplied by the Insured; and
- (d) is legally entitled to drive any such Insured Vehicle in Australia or New Zealand as the holder of such overseas licence.

9. Vehicles on loan to others

This Policy is hereby extended to indemnify the Insured in respect of Insured Vehicles loaned to any person, corporation or entity, as long as not for reward.

10. Vehicles used for demonstration, sale, repair, servicing and/or testing

This Policy is hereby extended to indemnify the Insured in respect of the use of any Insured Vehicle by any person, corporation or entity for the purpose of demonstration, sale, repair, servicing and/or testing for road use.

11. Claims Preparation Costs

In addition to and not limited by the Sum Insured and/or the Limit of Liability, the Insurer will also indemnify the Insured for the costs and expenses necessarily and reasonably incurred by the Insured in producing and certifying any details required in terms of any condition relating to claims procedure, up to the sub limit stated in the Policy Schedule, for any one Accident or event. The Insured should notify the Insurer if it expects to incur costs and expenses covered by this Memorandum, before doing so, so that the Insurer can inform the Insured whether it agrees that they are necessary and reasonable.

12. Unlicensed Driver

Any Exclusion applicable when the Insured Vehicle is being driven by an unlicensed driver shall not apply if the Vehicle was being driven without the Insured's consent or was being driven with the consent of the Insured who was not aware that the driver was not so licensed and could not reasonably have known, at the time when the consent was given or implied, that person was not so licensed.

13. Contractual Agreements

Notwithstanding General Exclusion 3 of this Policy, where in the ordinary course of Business the Insured enters into any contractual agreement which provides that the Insured shall indemnify and/or hold harmless and/or release from liability another person or organisation in respect of Damage to the Insured Vehicle and/or Personal Injury and/or Property Damage arising from or as a result of an Accident or event insured against by this Policy, this insurance shall not be prejudiced by the Insured entering into such agreement and such indemnity and/or hold harmless provisions and/or release from liability shall be equally binding upon the Insurer.

14. Choice of Repairer

Where Damage occurs to the Insured Vehicle, the Insured may choose their own repairer or, the Insurer can assist in selecting a suitable repairer or may require a second quotation from a repairer of their choice.

15. Replacement of damaged parts

If the Insured Vehicle is within the Manufacturer's Standard New Vehicle Warranty period and covered under the Manufacturer's Standard New Vehicle Warranty (not including an extended warranty period) the Insurer will only use manufacturers approved parts in repairing the Insured Vehicle. In the event that the part is a windscreen or a body glass then Australian Design Rule compliant parts may be used. If the Insured Vehicle is outside the Manufacturer's Standard New Vehicle Warranty period, the Insurer may use new, recycled or reconditioned parts when repairing an Insured Vehicle which is no longer covered under the Manufacturer's Standard New Vehicle Warranty. Where the use of recycled or reconditioned parts is requested the Insurer will only use the parts if they are equal to or exceed the quality of the part being replaced.

Optional Extensions of Cover

Not applicable unless stated in the Schedule as selected as an Optional Extension of Cover.

1. Vehicles on Hire to Others

The Insurer will extend the Policy to cover the Insured under Sections 1 and/or 2 of the Policy (as applicable) for any Insured Vehicle hired out to anyone else for reward, provided the Insured notifies the Insurer before doing so and agrees to pay the additional Premium required by the Insurer. The Insurer will not indemnify the Insured against Theft of the Insured Vehicle by any person who is the hirer.

2. Specified Non-Owned Trailers Clause

When 'Specified Non-Owned Trailers' is shown in the Schedule of Vehicles, the Insurer will pay the lesser of: the Sum Insured specified in the Schedule of Vehicles, or Market Value for the Insured's legal liability for damage to trailers (not owned, leased or rented), that are under the Insured's control and belonging to a principal provided:

- (a) the trailer was being used in conjunction with an Insured Vehicle at the time when the Accident happened; and
- (b) the amount of the Excess will be increased by 100% if the event giving rise to the claim occurs while any tipping hoist is fully or partially raised.

The Insurer's liability under this additional benefit shall be limited to the sub limit stated in the Policy Schedule.

3. Amendment to Basis of Settlement

The Basis of Settlement is amended as follows:

- (2) Notwithstanding Basis of Settlement (1), in the event of any Insured Vehicle becoming a Total Loss:
 - (a) within three (3) years of its original registration where the Insured Vehicle is a sedan, station wagon, panel van, 4WD, utility or truck, mini bus, rigid body truck, prime mover, including attached articulated trailers or any other goods carrying Vehicle; or
 - (b) within two (2) years of its original registration if the Insured Vehicle is a type other than as described in Basis of Settlement (2)(a) above,

the Insurer will, at the option of the Insured (and with the consent of any financier where applicable) replace such Insured Vehicle with a new Vehicle of the same make, model or series so long as it is available in the country where the damaged Vehicle is normally garaged including all on road costs less refunds of registration fees and compulsory third party insurance applicable for the replaced Insured Vehicle.

However, if a new replacement Vehicle is not available, the Insurer will replace the Insured Vehicle with the nearest equivalent and suitable replacement Vehicle that is available in the country that the Insured Vehicle is normally garaged (either Australia or New Zealand) including all on road costs less refunds of registration fees and compulsory third party insurance applicable for the replaced Insured Vehicle.

If an Excess is applicable, it is payable to the Insurer promptly after the Insurer confirms to the Insured that a suitable replacement Vehicle is available.

Provided always that if the Insured and the Insurer cannot agree upon a suitable replacement Vehicle or no suitable replacement Vehicle is available in the country that the Insured Vehicle is normally garaged (either Australia or New

Insured Vehicle, including delivery charges and stamp duty where applicable.

In the event of any Insured Vehicle becoming a Total Loss and the Insurer has indemnified the Insured by payment of the full Market Value or Agreed Value or Replaced the Insured Vehicle, cover for that Insured Vehicle comes to an end and there will be no refund of the premium for the unexpired Period of Insurance.

4. Amendment to Liability for Loss Resulting from Tools

Liability for Personal Injury arising from the use or operation of an Insured Vehicle and/or attachment, equipment, tool or apparatus which forms part of the Insured Vehicle whilst engaged in and undertaking its designed purpose of digging, scraping, shoveling, grading, boring, drilling, compacting, harvesting, ploughing, shredding, lifting, clearing, levelling, hosing, vacuuming, pumping, spraying, spreading, suction or similar activities.

This exclusion shall not apply in respect of;

- (a) Loading and/or unloading goods onto or from a Vehicle using a crane or lifting device forming part of or mounted on that Vehicle or
- (b) Vehicle(s) in transit to or from or within a work site; or
- (c) Vehicles whilst transporting or hauling goods.

General Exclusions

This Policy does not cover:

1. (a) Damage to the Insured Vehicle; and/or

- (b) legal liability as described in Section 2 of this Policy;

arising from or as a result of an Accident or event occurring outside of Australia or New Zealand, except as provided under Memoranda Applicable to Section 1 7.11 General Average and Salvage Charges.

2. Damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;

- (b) any Act of Terrorism or action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism;

- (c) any order of any Government, Public or Local Authority involving the confiscation, nationalisation, requisition, Damage or destruction of any property, unless such destruction was undertaken to reduce the spread of, Fire or any other peril or event covered by this Policy;

- (d) radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

3. any liability or obligation assumed by the Insured under any contract, agreement or warranty which would not have otherwise arisen or been implied by law other than as provided under Memorandum 15 of the Memoranda Applicable to Sections 1 and 2.

4. Damage to the Insured Vehicle and/or legal liability (as described in Section 2 of this Policy) caused by or in connection with the Insured Vehicle:

- (a) (i) being driven by or in the charge of any person whose faculties are impaired by any drug or intoxicating liquor;

- (ii) being driven by or in the charge of any person in whose blood the concentration of any drug or intoxicating liquor is in excess of that permitted by the law of the State or Territory of Australia, or by the law of New Zealand, in which the Insured Vehicle is being used, as indicated by an analysis of that person's breath or a blood alcohol test;

- (iii) being driven by or in the charge of any person who is subsequently convicted of an offence for:

- (1) driving under the influence of any drug or intoxicating liquor; or

- (2) exceeding the legal limit for concentration in the blood of any drug or intoxicating liquor; or

- (3) refusing to undergo a test of concentration in the blood of any drug or intoxicating liquor,

at or around the time of or in connection with any Accident or event which is the subject of the Insured's claim under this Policy.

General Exclusion 4(a) shall not apply in respect of Damage to the Insured Vehicle, if the Insured or other person or party indemnified did not consent to the Insured Vehicle being driven by a person under the influence of any drug or intoxicating liquor and there are no statutory provisions to the contrary;

- (b) being engaged in racing, pace making, reliability trial, speed or hill-climbing test, or whilst being tested in preparation for any such events without the prior written consent of the Insurer.

This exclusion shall not apply to commercial "drive days" being training courses or corporate promotional events that involve the use of the Insured Vehicle on any public or private thoroughfare, racetrack or grounds;

- (c) being used to convey, lift or tow a load in excess of that for which the Vehicle was constructed; provided that this exclusion shall not apply:

- (i) where the Accident or event giving rise to the claim was not caused, or contributed to, by such excess load;

- (ii) where the oversize or over mass Vehicle is being used in accordance with a permit issued by an appropriate authority; or

- (iii) where the Insured was not aware and could not reasonably have been aware that the Vehicle was being driven or used while either the dimensions of the load or the mass limit of the Vehicle was exceeded;

- (d) being used whilst in an unroadworthy or unsafe condition, unless such condition could not reasonably have been detected by the Insured.

Provided that this exclusion shall not apply if the Accident or event giving rise to the claim was not caused or contributed to by such unroadworthy or unsafe condition;

- (e) being driven by the Insured or by any person with the consent of the Insured if to the knowledge of the Insured the driver was not duly authorised under all relevant laws, by laws and regulations to be driving such Vehicle excepting where the Insured Vehicle is being driven by a person aged 12 years or over on rural land owned and/or occupied by the Insured.

Provided that this exclusion shall not apply if:

- (i) the driver had been licensed within the period of twelve (12) months immediately prior to the date of the Accident or event and was not disqualified or suspended from being so licensed and was unlicensed only as a result of a genuine oversight; or

- (ii) a driver's licence was fraudulently produced or unbeknown to the Insured, the driver's actual licence was cancelled as a result of unpaid parking fines or other misdemeanour but only if the Insured allows the Insurer to use all remedies available to recover all costs associated with any loss or damage occasioned or liability incurred by the driver of the Insured Vehicle;

- (f) being used for an unlawful purpose by the Insured or some other person with the express consent of the Insured, to the extent the use caused or contributed to the loss, destruction, damage or liability; and

- (g) loss or liability and/or compensation for Damage and/or injury caused whilst the Insured Vehicle is being used for the conveyance of passengers for fare, hire or reward, except under any private pooling arrangement for social or other similar purpose including travelling to and from work provided that the total contribution made by passengers for the journey or any travelling allowance does not involve any element of profit.

- 5. Consequential loss, except as specifically provided under Sections 1 and 2 of this Policy. This means the Insurer will not cover the Insured for anything not expressly described in the cover sections of this Policy. Some examples of what the Insurer will not pay for are loss of income, reduction in the working life of the Insured Vehicle, depreciation or lessening of the value of the Insured Vehicle, or loss of use of the Insured Vehicle.

6. Liability to the extent that the Insured is entitled to indemnity under any statutory fund, statutory scheme, policy of insurance or self-insurance, required by any law relating to workers' or workmen's compensation:
 - (a) liability to any employee of the Insured to the extent imposed by industrial award or agreement or determination where such liability would not have been imposed in the absence of such law or industrial award or agreement or determination;
 - (b) liability imposed by any law relating to employment practices.
7. Any medical or other expenses which the Insurer is prohibited from making by any regulation or act governing health Insurance in Australia including the Health insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth) or applicable legislation in New Zealand.
8. Any cover or benefit to the extent that payment of such claim or provision of such benefit would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

Conditions Applicable to All Sections

1. Insured's Duties following an Accident, event, claim or suit

The Insured (or the legal representative of the Insured) must advise the Insurer of any Accident or event as soon as possible after its occurrence.

The Insured shall give all such relevant information and assistance as the Insurer may reasonably require with respect to a Claim.

Every claim, writ, summons or process and all reasonable documents relevant to an Accident, event or a claim shall be forwarded to the Insurer as soon as reasonably practicable after they are received by the Insured.

Advice must be given to the Insurer as soon as practicable after the Insured (or the legal representative of the Insured) becomes aware of any impending prosecution or inquest in connection with any Accident or event for which there may be indemnity under this Policy.

The Insured should not, without the consent of the Insurer, make any admission, offer, promise or payment in connection with any Accident, event or claim. If the Insured does make such admission, offer, promise or payment without the Insurer's consent, the Insurer may reduce or refuse a claim to the extent the Insurer is prejudiced.

The Insured shall, when so requested, provide the Insurer with details of any other insurances current at the time of any

2. The Insurer's Rights Regarding Claims

The Insurer shall be entitled to take over and conduct in the Insured's name the defence or settlement of any claim, or to prosecute in the Insured's name for the Insurer's benefit any claim for indemnity or damages or otherwise. The Insurer shall have full discretion in the conduct of any proceedings or in settlement of any claim. The Insurer will act reasonably having regard to the Insured's interests and will keep the Insured informed if the Insured asks to be informed.

3. Misdescription and Non-Disclosure

This insurance shall not be prejudiced by any unintentional and/or inadvertent misrepresentation, misdescription or non-disclosure of any director, partner, proprietor, officer, executive or employee of the Insured in any material particular, or by any wilful act of any employee of the Insured, without the knowledge and/or connivance of the Insured.

Provided always that, upon any such circumstances coming to the knowledge of the Insured's officer responsible for insurance matters, the Insured shall advise the Insurer thereof as soon as reasonably practicable thereafter and shall, if so requested, pay such reasonable additional Premium that the Insurer may propose in order to maintain cover for the increased risk as a result of such misrepresentation, misdescription, non-disclosure or wilful act.

4. Breach of Conditions

This insurance shall not be prejudiced by the inadvertent breach of any Condition or other obligation described in this Policy by any Insured or the inadvertent failure of any Insured to observe and/or comply with the terms of this Policy, through circumstances beyond the control of such Insured.

Provided always that, upon any such circumstances coming to the knowledge of the Insured's officer responsible for insurance matters, the Insured shall advise the Insurer thereof as soon as reasonably practicable thereafter and shall, if so requested, pay such reasonable additional Premium that the Insurer may propose in order to maintain cover.

5. Severability and Non-Imputation

It is hereby declared and agreed that:

- (a) each Insured shall be covered as if it made their own separate proposal for this insurance;
- (b) any declaration, statement or representation made in any proposal shall be construed as a separate declaration, statement or representation by each Insured;
- (c) any knowledge possessed by any Insured shall not be imputed to the other Insured(s); and
- (d) the Policy will apply as a separate contract of insurance between the Insurer and each Insured; provided that where a claim is brought against more than one Insured, the Sums Insured and/or Limits and Sub-Limits of Liability in respect of any Accident or event are not increased as a result of this Condition 5 and will apply to all Insured in total.

6. Cancellation

By the Insured

This Policy may be terminated at any time by the Insured tendering notice in writing to the Insurer to that effect, in which event the cancellation will become effective from the earlier of the date the notice is received by the Insurer or the date on which the Insured arranged alternative insurance protection.

By the Insurer

Subject to Condition 4 "Breach of Conditions" and Condition 5 "Severability and Non-Imputation", the Insurer may cancel this Policy in any of the circumstances set out in the Insurance Contracts Act 1984 (Cth).

Such cancellation shall take effect at the earlier of the following times:

- (a) the time when another policy of insurance between the Insured and the Insurer or some other insurer, being a policy that is intended by the Insured to replace this Policy, is entered into; or
- (b) at 4.00 p.m. Local Standard Time on the sixtieth (60th) business day after the day on which notice was given to the Insured.

In the event of the cancellation of this Policy by either the Insured or the Insurer, the Insured shall be entitled to receive a rateable proportion of the Premium for the unexpired period of Insurance less any non-refundable government charges.

When the Premium is subject to adjustment, cancellation will not affect the obligation of the Insured to supply the Insurer with such information as is necessary to permit the Premium adjustment to be calculated and to pay the amount of the adjustment applicable up to the date of cancellation.

By a premium funding company

This Policy may be terminated by a premium funding company only in accordance with the power of attorney granted to such company by the Insured.

7. Subrogation

Subject to Condition 8 "Subrogation Waiver", any corporation, organisation or person claiming under this insurance shall, at the request and at the expense of the Insurer, take reasonable steps to do and concur in doing and permit to be done all such acts and things that may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights and remedies, or for obtaining relief or indemnity from any other organisation(s) or person(s), to which the Insurer shall be or would become entitled upon the Insurer partially or fully indemnifying the Insured in respect of any Damage or legal liability under this insurance.

Should the Insured incur any Damage or legal liability which is not fully recoverable under this insurance due to:

- (a) the application of any Excess; and/or
- (b) the application of any applicable Sum Insured; and/or
- (c) the amount(s) of any judgment(s) or settlement(s) exceeding the applicable Limit of Liability,

notwithstanding Section 67 of the *Insurance Contracts Act 1984* (Cth), the Insured will be entitled to the first call on the proceeds of all recoveries made, by either the Insured or the Insurer, on account of such Damage or legal liability (net of the actual legal costs of making such recoveries where those costs were incurred by the Insurer) until the Insured is fully reimbursed for such uninsured amount(s) and any remaining proceeds will be applied to the reimbursement of the Insurer.

Nothing in this Condition 7 shall prevent the Insured and the Insurer entering into a 'Subrogation Agreement' following a claim agreeing to an alternative basis of sharing costs and expenses and the allocation of monies recovered to reflect the risks and values of the respective interests in such proceedings.

8. Subrogation Waiver

Notwithstanding Condition 7 – 'Subrogation', the Insurer hereby waives all rights of subrogation under this Policy against:

- (a) any of the Insureds hereunder;
- (b) any corporation, organisation or entity, the majority of whose capital stock is owned or controlled by the Insured;
- (c) any corporation, organisation, entity or person which or who owns or controls the majority of the capital stock of any corporation, organisation or entity to which or to whom protection is afforded under this Policy; except that if such corporation, organisation, entity or person is protected from such loss by any other policy of indemnity or insurance, the Insurer's right of subrogation is not waived to the extent and up to the amount of such other policy;
- (d) any contractors and sub-contractors of the Insured and any other entity or person whenever the Insured is required by contractual agreement to release such parties from liability arising from any event insured against by this Policy, and such waiver and/or release is allowed without prejudice to this insurance; and
- (e) any employee of the Insured, except:
 - (i) as permitted under the *Insurance Contracts Act 1984* (Cth); or
 - (ii) if such employee is in breach of General Exclusion 4 (a)(i) or (i),(ii), 4(b), 4(e) or 4(f) of this Policy.

9. Premium Adjustment

The Insured shall declare the total number of Insured Vehicles in the fleet as at the inception of each Period of Insurance and the deposit premium shall be calculated accordingly at the 'unit cost rate' agreed.

At the expiry of each Period of Insurance, the Insured shall again declare the number of Insured Vehicles in the fleet. The Premium shall then be adjusted by the Insurer allowing a refund or charging an extra premium (as the case may be) calculated at fifty per cent (50%) of the 'unit cost rate' applied to the difference in numbers of the fleet at inception and expiry of the Period of Insurance; subject to retention by the Insurer of any minimum premium that may have been agreed upon between the Insurer and the Insured at inception or the last renewal date of this Policy.

10. Interpretation

This Policy incorporates the Policy Schedule and any endorsement restriction, specification, attachment or memoranda affixed to the Policy and any other document that we agree in writing will form part of the Policy, at or prior to the commencement of the Policy or when required or permitted by law, which are to be read together.

Where any word or expression has been given a specific meaning in any part of this Policy, such word or expression shall bear this meaning wherever it may appear unless such meaning is inapplicable to the context in which such word or expression appears.

Words importing the singular gender shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender.

Headings have been included for ease of reference and it is understood and agreed that the terms and conditions of this Policy are not to be construed or interpreted by reference to such headings.

Terms that are capitalised have a defined meaning under the Definitions section of this Policy.

11. Jurisdiction

This contract of insurance shall be governed by and construed in accordance with the laws of the State or Territory of Australia in which the Insured is located. Each party agrees to submit to the jurisdiction of any Court of competent jurisdiction in a State or Territory of Australia and to comply with all requirements necessary to give such Court jurisdiction. All disputes arising under this Policy shall be determined in accordance with the law and practice of such Court.