



INSURANCE SOLUTIONS

“Insurance options that work”



Commercial Plant Operator Policy

Version CPO 0110

Altiora Insurance Solutions Pty Ltd
ABN 108 154 829
Australian Financial Services Licence No. 268726

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OUR AGREEMENT

THE AGREEMENT

The Because **You** have paid or agreed to pay the premium for this Policy, **Agreement**
We agree to provide You with the insurance cover described in this
Policy.

HOW MUCH WE WILL PAY

Limit of Liability **We** will not pay any more for any claim under this Policy than the lesser of:

- The Limit of Liability or any Sub-limit less any **Excess** which is listed in the current Schedule, or
- Any other limit less any **Excess** which is set out in this Policy.

Excess We will not pay the **Excess** which applies to any claim.

The **Excesses** are set out in the current Schedule and the Policy.

If more than one **Excess** applies to any one claim or series of claims under this Policy, then only the single highest **Excess** will apply.

WHAT THIS POLICY CONSISTS OF This Policy consists of the current Schedule, Our Agreement, Definitions, Conditions, Exclusions and Optional Benefits, which apply. All parts of the printed Policy wording, the Schedule, Proposal Form and any Endorsements must be read as if they are one and the same document.

DEFINITIONS

Agreed Value:	the value of a Machine that is agreed to by Us prior to cover first commencing or being renewed.
Aircraft	means any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.
Breakdown:	means sudden and unforeseen physical damage caused by the actual breaking, seizing or burning out of any part of a Machine necessitating repair or replacement before normal working can resume.
Business:	your business or trade as specified in the Policy Schedule
Compensation:	money payable by you by reason of a judgement ordered by a court of competent jurisdiction or by reason of any settlement of any claim negotiated with Our consent, but does not include any money payable by way of any fine or penalty or punitive, exemplary or aggravated damages
Electronic Data:	any facts, concepts and/or information converted to a form usable for communications and/or displays and/or distribution and/or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programmes and/or software and/or other coded instructions for such equipment
Excess:	the amount(s) shown in the Policy Schedule that YOU shall first contribute towards each claim or series of claims resulting from the one original source or cause
Indemnity Period	the period: <ul style="list-style-type: none"> (a) beginning with the Occurrence of Insured Damage and (b) ending on the earlier of: <ul style="list-style-type: none"> (i) three (3) months thereafter, or (ii) the date on which the results of the Business are no longer affected by the Insured Damage
Insured Damage:	sudden and unforeseen physical loss of or damage to a Machine which occurs during the Period of Insurance and that requires immediate repair or replacement
Location:	any place where work is performed by a Machine
Machine:	where referred to in this Policy either a Static Machine or a Mobile Machine
Market	the cost to buy an equivalent Static Machine or Mobile Machine of Value: the same age, condition, model and make; as assessed by Us
Mobile Machine:	any mechanically propelled vehicle specified in the Schedule (excluding vehicles predominately used to carry people or goods) including any trailer intended to be attached to such a Machine including, while attached to or within the Machine <ol style="list-style-type: none"> I. standard accessories, standard tools, standard appliances and standard options II. built in radio receiver and/or two way transmitting devices, compact disc player, MP3 player and air conditioning III. alarms and/or security devices

- IV. gates, tarpaulins and chains
- V. any additional equipment or accessories including those fitted by the manufacturer or dealer; but only if they are shown on the **Policy Schedule**
- VI. sign writing or fixed advertising signs or materials forming a permanent part of your **Mobile Machine** at the time of loss or damage up to \$5,000 in total
- VII. non-standard tools and spare parts for your **Mobile Machine** up to \$1,000 in total

Occurrence: an event which results in **Personal Injury** or **Property Damage**, neither expected nor intended from **Your** standpoint. All **Personal Injury** or **Property Damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be construed as arising out of the one **Occurrence**

However, the duration and extent of any one Occurrence so defined shall be limited to 72 consecutive hours starting from the first loss.

Period of Insurance: the **Period of Insurance** in the **Policy Schedule**

Personal Injury: bodily injury, sickness or disease, including death at any time resulting therefrom, or shock, fright, mental anguish or mental injury

Policy Schedule: includes any Schedule issued by **Us** or renewal Schedule or endorsement which forms part of this Policy

Pollution Means pollution or contamination of the atmosphere or of any water, land or other tangible property by any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemical and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Property Damage:

- (a) physical damage to or loss or destruction of tangible property not belonging to **You** including the loss of use thereof at any time resulting therefrom;
- (b) loss of use of tangible property not belonging to **You** which has not been physically damaged or destroyed provided such loss of use is caused by an **Occurrence**

Revenue: the money received or receivable by **You** in the conduct of **Your Business** under agreements which have been concluded by specific written contracts or are subject to a written offer prior to the **Insured Damage**

Static Machine: any item of plant or machinery specified in the **Policy Schedule**, including manufacturers' accessories but does not include a **Mobile Machine**

Sum Insured: the sum specified in the **Policy Schedule**

Time Excess: the time as specified in the **Policy Schedule** as the number of hours or days during which **You** must bear the loss for any increased cost of working or loss of revenue.

Watercraft: means any vessel or craft made or intended to float on or in or travel on or through water.

We/our/us: means certain Lloyd's syndicates who are the Underwriters of this Insurance

You/your/ the person(s), company(s) or firm(s) named in the **Policy Schedule**



Insured together with specified subsidiary companies individually named in the **Policy Schedule** or any attachments thereto

Your Products means anything (after it has ceased to be in the Your possession or under Your control) manufactured, grown, extracted, produced, processed, constructed, erected, assembled, installed, repaired, serviced, treated, sold, supplied or distributed by You (including any container thereof other than a vehicle).

SECTION 1 – OWN DAMAGE

A. Cover

- 1) **We** will cover **You** for **Insured Damage** to a **Machine** whilst it is located and in use in the manner in which it was designed to be used, or in transit by land between locations, anywhere within the geographical area referred to in the **Policy Schedule** and whether at work, at rest, being dismantled for the purpose of cleaning or overhauling, in the course of subsequent re-assembly, but only after successful initial recommissioning.

(a) Removal of Debris

We will also indemnify **You** for costs, charges and expenses necessarily and reasonably incurred to clean up and remove any debris resulting from an accident involving **Your Mobile Machine** or caused by or arising from goods falling from it to an amount not exceeding the lesser of 10% of the sum insured or \$100,000, or the amount specified in the schedule, whichever is the lesser, any one claim

(b) Interested Parties

We will extend indemnity against **Insured Damage** to include any person, company or firm who has a financial and insurable interest in **Your Machine**.

B. Basis of Settlement

In the event of **Insured Damage** to **Your Machine** we will pay.

- (a) in the case of **Insured Damage** which can be repaired, the cost of repairs necessary to restore **Your Machine** to its condition immediately before the **Insured Damage** including:
- (i) the cost of dismantling and re-assembly incurred for the purpose of effecting the repairs
 - (ii) charges for overtime and work on public holidays where necessarily and reasonably incurred; limited to 20% of the cost of the normal repair or \$5,000 whichever is the lesser
 - (iii) an amount not exceeding 10% of the **Sum Insured** for the **Machine** for the costs of recovery, handling and transportation of the **Machine**, its components or replacement parts to and from places of repair and freight within Australia including transportation as freight by any recognised scheduled service
 - (iv) overseas air freight by any recognised scheduled service and/or overseas labour but only if specified in the **Policy Schedule**, and
 - (v) customs duties and dues, if any, to the extent such expenses have been included in the **Sum Insured**

however, only to the extent to which the costs claimed have to be borne by **You**.

In the event of any part of a **Machine** insured by **Us** and/or its accessories becoming unobtainable in Australia it is agreed that **You** will undertake to obtain such parts and that **We** will undertake to reimburse **You**, in accordance with the Basis of Settlement under this clause, other than within Australia only where this provision is noted in the **Policy Schedule**.

- (b) in the case where **We** in our sole discretion accept that there has been a total loss of **Your Machine**
- (i) the **Agreed Value** for **Your Machine** as specified in the **Policy Schedule**
 - (ii) for a **Machine** less than two (2) years old from the date of commissioning, the cost of replacement if **Your Machine** by a **Machine** of similar function, type, capacity and quality and in a condition equal to but not better than the condition of **Your Machine** when new, or
 - (iii) for a **Machine** two (2) years or older the actual current **Market Value** or **Agreed Value** of **Your Machine** immediately prior to the **Insured Damage**.
- Our** liability will be the lesser of 2 (i), 2 (ii) or 2 (iii) less the applicable **Excess**
- (iv) **Our** liability under any part of (B), Basis of Settlement, will not exceed in respect of any loss the **Agreed Value** stated in the **Policy Schedule**.

C. Exclusions

Applying to Section 1 and all extensions, we will not pay for:

- (a) **Insured Damage** due to faults or defects known to **You** or any of **Your** employees at the time of arrangement of this insurance and not disclosed to **Us**
- (b) consequential loss of any kind or description whatsoever
- (c) **Insured Damage** caused by wear and tear, corrosion, oxidation, or deterioration due to lack of use or atmospheric conditions
- (d) the cost of any provisional repairs unless such repairs constitute part of the final repairs and do not increase the total repair cost
- (e) the cost of any alterations, additions and improvements carried out to **Your Machine**
- (f) the cost of repairs or replacement due to:
 - (i) electrical, electronic or mechanical breakdown, failure, breakage or malfunction
 - (i) freezing of coolant or other fluid
 - (iv) defective lubrication or lack of oil or coolant
 - (iv) explosion of any internal combustion engine or of any boiler or pressure vessel subject to internal gas, liquid or fluid pressure

If as a result of the foregoing, **Insured Damage** occurs, the resultant damage will be covered.

- (g) the cost of replaceable parts and attachments of a **Machine** such as bits, drills, knives, discs or other cutting edges, blades, dies, moulds, patterns, hammers, pulverising and crushing surfaces, screens and sieves, belts, chains elevator and

conveyor bands, batteries, tyres electrical connecting wires and cables, flexible pipes, jointing and any packing material which is regularly replaced

unless damaged as a result of **Insured Damage**.

- (h) **Insured Damage** to any ropes other than complete severance to wire ropes within **Your Machine** that is used as a crane or lifting device
- (i) damage to tyres caused by the application of brakes or by road cuts, punctures or bursts not arising from an accident
- (j) **Insured Damage** to a **Mobile Machine** after a fire or accident unless reasonable steps have been taken to protect or safeguard the **Mobile Machine**
- (k) **Insured Damage** to any waterborne vessels, aircraft or aerial devices
- (l) **Insured Damage** to any **Mobile Machine** running on rails
- (m) unreported theft or loss of a **Machine** where such loss or theft is only discovered at the time an inventory is taken
- (n) **Insured Damage** to any **Machine** which is on Dry Hire
- (o) **Insured Damage** to any machine which is working underground

If **We** allege that by reason of this exclusion, any loss, injury,

SECTION 2 – LEGAL LIABILITY

A. Cover

We will indemnify **You** for:

- 1) **Compensation** which **You** shall become legally liable to pay in respect of liability imposed upon **You** by law in respect of **Property Damage** happening during the **Period of Insurance** and caused by an **Occurrence** which arises or is caused by:
 - (a) the use of a **Machine**
 - (b) goods falling from a **Machine**
 - (c) the operation of loading or unloading of a **Machine** but not the collection or delivery of the load to or from the **Machine**
 - (d) any person who is driving, using or in charge of a **Machine** with **Your** permission as if they were **You** and provided such cover is not otherwise excluded
 - (e) by pollution or contamination of buildings or other structures or water or land or the atmosphere but the maximum amount **We** will pay in respect of this clause is \$250,000.

The amount of each claim otherwise payable will be reduced by the amount of the **Excess** shown in the **Policy Schedule**.

- 2) **Compensation** which **You** or any person driving, using or in charge of a **Machine** with **Your** permission may be held legally liable to pay by way of **Compensation** in respect of **Personal Injury** happening during the **Period of Insurance** to persons caused by or arising out of the use of the **Machine**, however, we will not be liable for any claim:
 - (a) if **You** or any person driving, using or in charge of a **Machine** with **Your** permission is entitled to be wholly or partly indemnified by or under any compulsory statutory insurance scheme or accident compensation scheme
 - (b) if **You** or any person driving, using or in charge of a **Machine** with **Your** permission is not entitled to be wholly or partly indemnified by or under any compulsory statutory insurance compensation scheme or accident compensation scheme only by reason of any excess or deductible applying thereunder
 - (c) if indemnity under any compulsory statutory insurance scheme or accident compensation scheme is refused:
 - (i) by reason of your failure to register a **Machine** or **Your** failure to apply for cover under such a scheme
 - (ii) by reason of your failure to comply with a term or condition of such a scheme.
- 3) With the exception of Clause 1) (e), the maximum amount **We** will pay under Section 2 in respect of all claims made against **You** arising out of one occurrence or series of occurrences arising out of one cause or event shall not exceed the limit of liability shown in the **Policy Schedule**.

The amount of each claim otherwise payable shall be reduced by the **Excess** shown on the **Policy Schedule**.

B. Additional Payments

If **You** are entitled to be covered in respect of a claim under this section we will, in addition to **Our** liability in respect of payment of **Compensation**:

- (a) pay all expenses incurred by **Us** and all costs awarded against **You** in any suit and action, and
- (b) reimburse **You** for all **Your** reasonable expenses, other than loss of earnings incurred in the defence of the action and incurred with **Our** consent

provided however:

- (c) **Our** obligation to pay costs and expenses under this Section is limited to the period up to that time when we have paid, tendered or deposited in a court that amount of any judgement or settlement sum which does not exceed the Limit of Liability, and
- (d) if a payment greater than the Limit of Liability is made to dispose of a claim against **You**, which is a claim covered by this Section, our liability for additional payments under this clause B is in the same proportion to the total of those additional payments as the Limit of Liability is to the amount payable to dispose of the claim against **You** (Proportionate Liability). You must repay the amount of additional payments under this clause, paid by **Us**, that are in excess of the Proportionate Liability within twenty-one (21) days of notification from **Us** of requiring repayment.

Exclusions

Applying to Section 2 and all extensions we will not pay for:

- 1) any claim for loss of or damage to property belonging to, held in the custody of, or in the control of **You** or any of **Your** partners or directors
- 2) damage to property belonging to, held in the custody of, or in the control of any relative or friend of **Yours** ordinarily residing with **You** or with whom **You** ordinarily reside
- 3) **Personal Injury** to:
 - (a) any person employed by **You** whose claims arise from a liability imposed by an industrial award or agreement of determination, Workers Compensation, Accident Compensation Legislation or Law
 - (b) any member of **Your** family or to any person ordinarily residing with **You** or with whom **You** ordinarily reside
- 4) **Personal Injury** or **Property Damage** caused by or arising directly or indirectly out of or in connection with:
 - (a) the existence, mining, handling, processing, manufacture, sale, distribution, storage or use of asbestos, asbestos products and/or products containing asbestos

- (b) the transportation of petroleum products, toxic chemicals, corrosive acids, inflammable liquids, gases explosives, radioactive materials, inflammable substances or any other substances which form explosive or toxic mixtures with organic or other oxidisable materials
- 5) loss, damage or liability in respect of any underground sewers, water pipes, gas pipes, electric wire cables or their supports including any transmission cables and their supports or any other underground pipes or cables or their supports unless **You** have ascertained the actual position of these underground services from the relevant authorities prior to the commencement of any excavation
- 6) fines, penalties, exemplary, liquidated or aggravated damages
- 7) Property Damage to Your Products if such damage is attributable to any defect therein or the harmful nature or unsuitability thereof;
- 8) Liability arising out of or caused by, through, or in connection with:
 - (a) the ownership, maintenance, operation or use by You or the use on Your behalf of any Aircraft or Hovercraft;
 - (b) the selling or manufacturing of Aircraft or the manufacture, assembly and or supply of any products that are used with Your knowledge in Aircraft or aerial device;
 - (c) the repair, service or maintenance of Aircraft or Aircraft products or the installation of any products into Aircraft;
 - (d) the ownership, maintenance, operation or use by You or on Your behalf of any Watercraft, exceeding 10 metres in length, except where such watercraft are owned or operated by others and used by You for business entertainment;
 - (e) any watercraft operating in excess of 3 miles offshore.

SECTION 3 – GENERAL CONDITIONS AND EXCLUSIONS

Unless and to the extent a Section of the Policy has specific exclusions and conditions.

A) General Exclusions

We will not pay for:

- 1) **Insured Damage** or liability caused by or contributed to by theft or criminal act or deliberate act by **You** or any of **Your** partners or directors
- 2) **Insured Damage** or liability if a **Mobile Machine**:
 - (a) is used in an unsafe or unroadworthy condition unless such condition could not be reasonably detected by **You**
 - (b) is driven by or is in the charge of any person whose faculties are impaired by any drug or intoxicating liquor or by any person who is convicted of driving at the time of the **Insured Damage** or **Occurrence** whilst being under the influence of intoxicating liquor or driven by or is in the charge of any person who at the time of the **Insured Damage** or **Occurrence** has a concentration of alcohol in his or her breath or blood in excess of the amount permitted by law subject to any applicable law to the contrary unless **You** can prove that **You** did not consent to the **Mobile Machine** being driven or being in the charge of the person when such person was so affected
- 3) **Insured Damage**, loss destruction, death, injury, illness, liability, cost, expense or any consequential loss 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, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any government or public or local authority, or
 - (b) Any act(s) of terrorism

Liability for loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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), committed for 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.

This exclusion also excludes loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If **We** allege that by reason of this exclusion, any loss, injury, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon **You**.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

- (c)
 - i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - ii the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - iii any weapon of war employing atomic or nuclear fission or fusion or like reaction or radioactive force or matter.

- 4) the amount of the **Excess** specified in the **Policy Schedule**

- 5) **Insured Damage** or liability occurring while any **Machine** is undergoing a test of any kind or is being used in any manner or for any purpose other than which is was designed

- 6) **Property Damage** to any land, buildings or other fixed property arising directly or indirectly from the removal, weakening or interference with any support or supports of such land, buildings or other fixed property

- 7) **Insured Damage** to any concrete agitator, barrel, bowl or pump and/or fittings caused by or arising out of the hardening or setting of concrete

- 8) **Insured Damage** or liability whilst any **Mobile Machine**, at the time of the **Insured Damage** or **Occurrence**, being driven by or is in the charge of a person who is not authorised, licensed or trained to operate under any relevant law

- 9) **Insured Damage** or liability if, at the time of the **Insured Damage** or **Occurrence**, a **Machine** being used as a crane or lifting device was:
 - (a) being operated with **Your** knowledge or the knowledge of any of **Your** agents or employees or by any person in contravention of any applicable statutory requirement, or
 - (b) loaded in excess of the safe working load specified by any relevant Statutory Authority; Manufacturer's Specification, or
 - (c) being used in any raising or lowering operation in which a single load is shared between two or more cranes or lifting devices
 - (d) not in compliance with the relevant Australian standard

- 10) **Insured Damage** to any **Machine** which is or has been operated contrary to the manufacturer's instructions

- 11) **Personal Injury** or **Property Damage** arising out of **Pollution** occurring in its entirety during the Period of Insurance as stated in the current Schedule but this exclusion shall not apply if You can demonstrate that such **Pollution**:
 - (a) was the direct result of a sudden specific and identifiable event occurring during the Period of Insurance; and
 - (b) was not the direct result of You failing to take reasonable precautions to prevent such **Pollution**.

However, notwithstanding Exclusion 13 (a) & (b), cover does not apply in respect of **Pollution** for:

- (i) **Property Damage** to premises presently or at any time previously owned or tenanted by You
- (ii) **Property Damage** to land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by You or otherwise in Your care custody or control

12) Personal Injury or property damage arising directly or indirectly out of, or in any way involving Your internet operations or

Property Damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:

- (i) the use of any computer hardware or software
- (ii) the provision of computer or telecommunications services by You or on Your behalf
- (iii) the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus

But this exclusion does not apply to:

- (i) Personal Injury or Property Damage arising out of any material which is already in print 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 or
- (ii) liability which arises irrespective of the involvement of your internet operations.

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

B) General Conditions

1) Policy Cancellation

Cancellation by You

- (a) **You** may cancel this Policy at any time. To do so **You** must tell **Us** in writing that **You** want to cancel the policy and the future date from which the cancellation is to apply.
- (b) **We** will retain the premium which applies to the days the Policy has been in force and an amount for **Our** expenses of the cancellation, subject to minimum premium provisions.

Cancellation by Us

- (a) **We** may cancel this Policy by giving written notice to **You** if:
 - (i) **You** failed to comply with:
 - The duty of utmost good faith, or

- A provision of this Policy, including a provision with respect to the payment of premium; or
 - (ii) before this Policy was entered into **You** failed to comply with the duty of disclosure or made a misrepresentation to **Us**; or
 - (iii) **You** have made a fraudulent claim under this or any other policy of insurance with **Us** or any other insurer; or
 - (iv) **You** did not tell **Us** about anything which this Policy required **You** to tell **Us**.
- (b) Cancellation by **Us** will take effect from the earlier of:
- (i) the day on which **You** arrange other insurance to replace this Policy, or
 - (i) 4.00pm on the third business day after the day on which notice of cancellation was given to **You** or any later date shown in the notice of cancellation.
- (c) The cancellation will be effective unless **You** can prove that, through no fault of **Yours**, **You** did not receive the notice of cancellation.
- (d) If **We** cancel the Policy, **We** will retain the premium which applies to the days this Policy has been in force, subject to minimum premium provisions.

Cancellation by Premium Finance Company

The Premium Finance Company may cancel the Policy by advising **Us** within fourteen (14) days of a premium instalment date passing without payment. Under these circumstances, as long as there are no losses outstanding or paid on the Policy, **We** will refund the Premium Finance Company the appropriate proportion of premium.

2) Automatic Additions and Deletions

We will provide cover for a maximum time of sixty (60) days for newly purchased Machines if they are of a similar kind as those currently Insured by the policy.

The limit of cover for Insured Damage to such Machine will be the current Market Value up to but not exceeding \$50,000 (subject to payment by **You** of the excess applicable to Machines of a similar kind currently Insured by this Policy) until **You** have given us notice of its acquisition and value, and have paid any additional premium required.

3) Return of **Machine(s)**

Where a **Machine** is stolen and recovered, **We** will pay the necessary costs involved in the return of the **Machine** to the place it is normally garaged to a maximum amount of \$10,000 per **Machine**

4) Assignment

We will in no case be bound to accept notice of the transfer of **Your** interest in this insurance and nothing contained in this Policy will give any rights under this Policy to any person other than **You** or a transferee approved by **Us** in writing

5) Subrogation

In the event that **We** have a right to recover any monies payable under this Policy from any other person, **You** must co-operate with **Us** fully in any proceedings available to **Us** at law which we may take

6) Minimisation of Loss

You must at **Your** own expense take all reasonable precautions to prevent damage and **You** must comply with all statutory requirements and manufacturers' recommendations relating to the safeguarding and operation of any **Machine** and in the event of damage occurring **You** must do all things necessary and reasonably available to reduce the amount of any damage

7) Inspection

You must permit **Us** or **Our** appointed representative reasonable access to inspect and examine any **Machine**

8) Claims and Repair Procedures

- (a) in the event of any event which might give rise to a claim under this policy **You** must notify **Us** immediately and confirm by facsimile, or confirm by email, facsimile, or in writing full details; preserve the parts affected; and make them available for inspection by **Us** or **Our** representative
- (b) furnish all such information and documentary evidence as we may require
- (c) in the event of loss or malicious damage caused by theft or burglary, inform the police
- (d) upon notification of any **Insured Damage** being given to **Us**, **You** may carry out repairs or make good any minor damage, but in all other cases **You** must give **Us** or **Our** representative an opportunity to inspect the Insured Damage before any repairs or alterations are effected. If no inspection is carried out by **Us** or on **Our** behalf within a period of time which is reasonable having regard to the location of the risk, weather conditions and or any other relevant factors, you may proceed with such repairs or replacement
- (e) insurance cover will cease for any Machine which has sustained damage and where it is operated without being properly repaired
- (f) on the happening of any event which is likely to give rise to a claim under this policy **You** must, with due diligence do and concur in doing, and permit to be done, all things which may be reasonably practicable to minimise any interruption of or interference with the Business, or to avoid or diminish the loss, and in the event of a claim being made under these Extensions, you must no later than three (3) days after the expiry of the Indemnity Period, or within such further time as we in writing allow, at **Your** own expense, deliver to **Us** in writing a statement setting out the particulars of **Your** claim, together with details of all other insurances covering the Insured Damage or any part of it, or consequential loss of any kind resulting therefrom
- (g) **We** will be entitled to take over and conduct in **Your** name the defence or settlement of any claim or to prosecute in **Your** name for indemnity or damages or otherwise and will have full discretion in the conduct of any proceedings or in the settlement of any claim. **We** may do this before **We**

pay **Your** claim and whether or not **You** have been fully compensated for **Your** actual loss

- (h) unless **We** agree in writing, no person, company or firm making a claim under this Policy will make any admission of guilt or promise or offer of payment in connection with any such claim
- (i) if a Machine is classed as a total loss **We** will pay out according to the cover provided by this policy and will retain all rights to the Machine and its salvage value

9) Reinstatement of Sum Insured (Section 1 only)

Following **Insured Damage** to any **Machine** or any part of any **Machine**, the **Sum Insured** in respect of the **Machine** will automatically be reinstated, provided that an additional premium is paid by **You** as required upon any amount so reinstated. The additional premium will be the same proportion of the premium for that **Machine** as the amount reinstated bears to the **Sum Insured** for the **Machine** reinstated

10) The **Policy Schedule** identifies the Limits of Liability, the **Sum Insured** and any **Excess** relating to the **Machines** covered by this Policy. The Limits of Indemnity applying to the cover under this Policy apply generally to any claim for loss or damage.

11) Other Insurances

If at the time of any **Insured Damage** or **Occurrence** causing loss, damage or liability which becomes the subject of a claim under this Policy there are subsisting insurances required by or under the law of a State or Territory covering the same loss, damage or liability, **We** will not be liable.

Where **You** have notified **Us** of other insurances covering the same loss, damage or liability and that other insurance is specified in the Policy, **Our** liability is limited to so much of a loss as is not covered by that other insurance.

OPTIONAL BENEFITS

The following Extensions to Cover will apply if indicated on the **Policy Schedule** as being operative.

1. CCC - Goods Lifted

Exclusion C 1 in Section 2 is deleted and **We** will pay for accidental damage to property in **Your** care, custody or control whilst any such property is being handled by a **Machine** being used as a crane or lifting device.

We will not pay for damage to property arising from fault in or fragility of such property or its container or packaging.

2. Increased Cost of Working

If the **Business** carried on by **You** is interrupted or interfered with in consequence of **Insured Damage** to a **Machine** which is covered under Section 1 and for which we have admitted liability, this Extension operates to indemnify **You** during the **Indemnity Period** only against the Increase in the cost of working resulting from such interruption or interference. Provided that:

- (a) **Our** total liability for any one **Period of Insurance** will not exceed the amount specified in the **Policy Schedule**;
- (b) **Our** liability under this Extension is limited to the increase in the Cost of Working and the amount payable will be limited to the additional expenditure necessarily and reasonably incurred for the sole purpose of minimising interruption to the **Business** affected by the machine which has suffered **Insured Damage**;
- (c) in the event of a claim being made under this Extension **You** must give **Us** or **Our** representative immediate notification by telephone, facsimile, email, or other method of verifiable electronic communication and thereafter by written confirmation within three (3) days of the **Insured Damage**;
- (d) **You** will with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or avoid or diminish the loss;
- (e) **We** will not be liable for loss, damage or costs incurred by **You** during the **Time Excess**;
- (f) the amount of each claim as otherwise payable will be reduced by the amount of **Excess** shown in the **Policy Schedule**;

3. Loss of Revenue

If the **Business** carried on by **You** is interrupted or interfered with in consequence of **Insured Damage** to a **Machine** which is covered under Section 1 and for which we have admitted liability this Extension operates to indemnify **You** during the **Indemnity Period** only against Loss of **Revenue** and an increase in the cost of working resulting from such interruption or interference. Provided that:

- (a) **Our** total liability for any one **Period of Insurance** will not exceed the amount specified in the **Policy Schedule**;
- (b) **Our** liability under this Extension is limited to the Loss of **Revenue** and an Increase in the Cost of Working and the amount payable will be limited to that

port of the Loss of **Revenue** and an Increase in the Cost of Working affected by the **Machine** which has suffered **Insured Damage**;

- (c) in the event of a claim being made under this Extension **You** must give **Us** or **Our** representative immediate notification by telephone, facsimile, email, or other method of verifiable electronic communication and thereafter by written confirmation within three (3) days of the **Insured Damage**;
- (d) **You** will with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or avoid or diminish the loss;
- (e) **We** will not be liable for loss, damage or costs incurred by **You** during the **Time Excess**;
- (f) the amount of each claim as otherwise payable will be reduced by the amount of **Excess** shown in the **Policy Schedule**;

4. Lease Payment Protection

We will, subject to the Limit of Indemnity stated in the **Policy Schedule** and in respect of each item so specified, indemnify **You** against **Your** obligation to meet payments under a lease agreement directly consequent upon **Insured Damage** under Section 1 and for which we have admitted liability. Provided that:

- (a) the indemnity provided by this Extension will cease after twelve consecutive months from the date of loss or on completion of repairs or replacement whichever is the earlier;
- (b) **You** will with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or avoid or diminish the loss;
- (c) no indemnity will be provided by this Extension unless the period for repair or replacement exceeds seven (7) consecutive days;
- (d) no indemnity will be provided by this Extension for any balloon or residual value payments which may be due as the result of the repair or replacement period
- (e) **We** will not be liable for any more than the Limit of Indemnity in total as specified in the **Policy Schedule** during the **Period of Insurance**;
- (f) **We** will not be responsible for the first ten (10) percent of each and every admitted and agreed claim under this Extension.

5. Dry Hire

We will pay for the **Machines** specified in the **Policy Schedule** for this Extension for **Insured Damage** to a **Machine** whilst on hire to another party when **You** do not supply an operator. **We** will not pay claims under this Extension:

- (a) unless **You** have taken all reasonable steps to ensure that the hirer, or any other person who will operate the **Machine** is authorised to do so under any relevant legislation;
- (b) unless **You** have provided the hirer with adequate written operating instructions and the loss or damage was caused by incorrect operation;

- (c) for theft by any person to whom **Your Machine** is let on hire;
- (d) where another Policy has been effected for the loss by a party other than **You**, however, if such cover is not as extensive as this Policy **We** will pay for all losses arising from the difference in the cover and conditions subject to the Conditions and Exclusions of this Policy.

6. Breakdown

Exclusion C (f) (i) in Section 1 is deleted and **We** will pay for **Breakdown** of those **Machines** specified in the **Policy Schedule** for this Extension. Provided that:

- (a) **We** will not be liable under this Extension for any more than the manufacturer's or supplier's last published prices for any part of any **Machine** which is no longer available to effect a repair;
- (b) **Our** liability under this Extension in respect of any single **Occurrence** of **Breakdown** will not exceed the **Sum Insured** shown for each **Machine** specified in the **Policy Schedule**;

Basis of Settlement

In the event of a **Breakdown** to a **Machine** **We** will pay the reasonable cost of repair or replacement necessary to return the **Machine** to its normal working state. Provided that:

- (a) all damage which can be repaired must be repaired, however, should the **Machine** be uneconomical to repair solely due to the nature of the **Breakdown**, settlement will be as follows:
 - i. **We** will deduct for the delivered cost of the replacement **Machine** 5% per annum of each year of service of the **Machine** exceeding two (2) years following initial commissioning or replacement to a maximum of 70%;
 - ii. the amount of each claim otherwise payable will be reduced by the amount of the **Excess** specified in the **Policy Schedule**.

7. Recovery Costs

In the event of any **Machine** becoming unintentionally immobilised in any physical situation in or about any contract site where **You** are working for the **Business**, the necessarily incurred cost of recovery and/or withdrawal will be deemed to be the **Insured Damage** within the meaning of this Policy. Provided that:

- (a) **Our** liability in respect of such cost will not exceed \$50,000 during the **Period of Insurance**;
- (b) **You** will be responsible for the first ten (10) percent with a minimum of \$500 for each and every claim under this Extension.