



Hail Damage

Policy Wording

Version Number 010606

providing first class insurance solutions ...

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IMPORTANT INFORMATION

This Policy wording is an important document and should be kept in a safe place. You should read this wording and any attachments we provide to you, so that you understand the insurance provided by this policy.

YOUR DUTY OF DISCLOSURE

When we provide Insurance terms for you, whether for a new Policy, renewal of a Policy or changes to or reinstatement of your Policy, we rely on the information you provide to us.

You must tell us anything that you know, or should know, that could affect

- Our decision to insure you
- the amount of the Premium we charge you or
- whether we should impose special conditions to this cover.

You do not need to tell us about anything which:

- Reduces the likelihood of a claim
- Is of common knowledge
- We know, or as an insurer should know
- We indicate that we do not want to know

If you are unsure, it is better to tell us. If you do not tell us something which you know or should know is relevant, we might reduce your claim, refuse to pay a claim, cancel your Policy or, if fraud is involved, we can treat the Policy as if it had never existed.

GOODS AND SERVICES TAX

The amount payable by you for this Policy includes an amount for GST.

The Sum Insured and other limits of insurance cover shown in the Policy documentation are GST inclusive.

When we pay a claim, your GST status will determine the amount we pay.

If you are

- Not registered for GST, the amount we pay is the Sum Insured or the other Policy limits being inclusive of GST
- Registered for GST, the amount we pay is the Sum Insured or the other Policy Limits less any Input Tax Credit (ITC) to which you are entitled or would be entitled if you made a relevant acquisition. This ITC may be claimable within your BAS.

You must advise us of your ABN Number and Taxable Percentage. Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of a claim is less than the Sum Insured or the other Policy limits, we will only pay the GST (less your ITC credit) applicable to settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will pay the claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to the claim.

GST, ITC, Business Activity Statement (BAS) and Acquisition have the same meaning as given to those words in a New Tax System (Goods and Services Tax) Act 1999 and related legislation and amendments.

Taxable Percentage is your entitlement to an Input Tax Credit on your amount payable as a percentage of the total GST on that amount.

IF YOU HAVE A DISPUTE

If you are in dispute, with a decision we make, a claim settlement, our service, or the service of others we appoint to discuss insurance matters with you, we have an Internal Dispute resolution process to assist you. Contact our office and ask for the Internal Dispute Resolution Officer. They will advise you on the procedure for you to follow to tell us about the dispute.

They have the appropriate authority of management to discuss your concerns and provide assistance to you.

If you are not satisfied with our response, and wish to proceed with your dispute or complaint, you may contact;

Lloyd's Australia Ltd
Suite 2, Level 21
Angel Place
123 Pitt Street
Sydney NSW 2000
Telephone 02 9223 1433
Facsimile 02 9223 1466

Lloyd's Australia Ltd offer a no cost to you service and are totally independent and impartial. They will advise you on how to proceed with them in this matter. If they are unable to assist you, they will promptly advise you.

NEED FURTHER INFORMATION

Your Insurance Broker has arranged this insurance for you, on your behalf. If you have any questions or need further information concerning your insurances, you should contact them to assist you with your enquiry.

CONTACTING US

You are represented by an Insurance Broker who deals directly with us. You should direct all of your correspondence to us through this Broker, as he is your Agent for this insurance. When we are dealing directly with you, for example with a claim, you may contact us as shown on our claim form or on the inside first page of this Policy wording.

PRIVACY

We handle your personal information with care. We collect this information about you so that we can provide you with insurance products and a claims service. We only provide your personal information to other Insurers, an Insurance Reference service, Assessors or as required or permitted by law. Should a claim arise, we may provide information to and or collect further information about you from legal advisers or investigators. You may elect not to supply us with Personal Information, however we may then not be able to process your requests. You can access or update this Information by contacting us.

Hail Policy Wording

1. GENERAL OPERATIVE CLAUSE

Provided the Insured has paid the premium, the Underwriter will indemnify the Insured against loss, damage or destruction occurring during the Period of Insurance stated in the Schedule in the manner and to the extent stated and subject to the terms, conditions, exclusions and limitations of this Policy.

If the insured assets, as defined in the Schedule, or any part thereof, and which are at the Situation shown in the Schedule are lost, destroyed or damaged as a result of any of the Events referred to herein then the Underwriter will pay the value of the property at the time of the Event or the amount of the destruction or damage subject to due allowance for wear, tear, depreciation and betterment or, at their option, repair, reinstate or replace that property or any part of that property.

The Underwriter will not pay more than the amount shown against each item in the Schedule in respect of any one loss or series of losses arising out of the one Event nor in the all the amount shown in the Schedule. The amount of each claim otherwise payable shall be reduced by the amount of any Excess applicable.

2. DEFINITIONS

2.1 "Business" means the business undertaking of the kind described in the Schedule and carried on by the Insured at the situation(s) shown in the Schedule.

2.2 "Excess" means the amount(s) shown in the Schedule that the Insured shall first contribute towards each claim as finally determined or series of claims arising out of the one Event except for any Event for which a higher amount to be paid by the Insured is specified in these Sections.

2.3 "Insured" means the Insured named in the Schedule.

2.4 "Stock" means all stock-in-trace and/or merchandise, including trading stock, in the course of production belonging to the Insured or for which the Insured has assumed responsibility to insure prior to the occurrence of any destruction or damage.

2.5 "Underwriter" means certain Underwriters at Lloyd's of London.

3. THE EVENTS ARE

Storm and/or tempest but more specifically restricted only to destruction or damage caused directly or indirectly by Hail.

4. ADDITIONAL BENEFITS

The Underwriter will also pay where a claim is admitted following an Event but only to the extent to which the Sum Insured is not otherwise exhausted, the cost and expenses necessarily and reasonably incurred for the removal of debris, demolition, dismantling, shoring up, propping and temporary repairs. This Additional Benefit does not include the costs of removal, nullification or cleaning up of contaminant or pollutant substances.

5. ENDORSEMENTS

5.1 Designation of Property

For the purpose of determining where necessary the heading under which any property is insured the Underwriter agrees to accept the designation under which such property has been entered in the Insured's books of account.

5.2 Progress Payments

Progress Payments on account of any claims for which liability has been admitted by the Underwriter under this Policy may be made at such intervals and for such amounts as may be agreed, upon production of a report by the Loss Adjuster as to the amount(s) of loss actually incurred by the Insured as at the date of the report, provided that such payments(s) shall be deducted from the amount finally determined upon adjustment of the claim.

6. SPECIAL CONDITIONS

Average/Underinsurance

In the event of destruction or damage to the Stock, if the respective amount shown as the full value of each item in the Schedule is less than eighty-five percent (85%) of the value of Stock at the time such loss, destruction or damage occurs, the Underwriter will only pay the proportion of such loss, destruction or damage that the respective sum(s) bear to eighty-five percent (85%) of those respective values but limited also to the amount shown against each item in the Schedule. This clause shall not apply if the amount of any destruction or damage does not exceed five percent (5%) of the respective Sum Insured.

7. GENERAL EXCLUSIONS

This Policy does not provide cover for loss, damage or destruction directly or indirectly caused by or happening through or in consequence of:

- 7.1 the Insured's wilful act or a wilful act committed with the Insured's connivance.
- 7.2 war, invasion, act of foreign enemy, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power.
- 7.3 confiscation, nationalisation, requisition or loss, damage or destruction of property by or under the order of any Government or Public or Local Authority.
- 7.4 the use of nuclear weapons or materials.
- 7.5 ionising radiation or contamination by radioactivity from any nuclear waste, nuclear fuel or from the combustion of nuclear fuel. Combustion shall include any self-sustaining process of nuclear fission.
- 7.6 Any operations employing the handling, transportation or use of radioactive materials which operations include but are not limited to:
 - 7.1.1 the use of nuclear reactors including atomic piles, particle accelerators, particle generators or similar devices.
 - 7.1.2 disposal or treatment of radioactive waste materials.
 - 7.1.3 weapons of war or explosive devices.

8. GENERAL CONDITIONS

8.1 Alterations

If there is any change or alteration after the commencement of this Policy which will or might increase the risk of any claim being made and in particular relating to:

- 8.1.1 the nature of the Business carried on;
- 8.1.2 the nature of the occupation of or other circumstances affecting the Buildings insured or containing any insured property;
- 8.1.3 the fact that the Buildings containing any insured property become unoccupied and remain so for a period of more than sixty (60) consecutive days;
- 8.1.4 removal of the property insured from the situations referred to in the Schedule;
- 8.1.5 where the Insured's interest ceases except by will or operation of law;

no benefits will be payable under this Policy unless the Insured has advised the Underwriter in writing as to any such changes and the Underwriter has agreed to them in writing.

8.2 Due Diligence

The Insured must take all reasonable care and precautions for the safety and protection of the property insured and must at all times use due diligence in maintaining the property insured in such order and condition as to minimise the risk of loss destruction or damage by any of the Events insured against and should any damage have occurred prior to the commencement of the insurance and such damage not have been repaired or made good the Underwriter shall not be liable for such damage nor for any resultant loss destruction or damage.

8.3 Inspection

The Underwriter and every person authorised by them shall at all reasonable times have the right to inspect the premises at the situation shown in the Schedule and to examine any of the property insured under this Policy. This condition shall be evidence of the Underwriter's right to do so.

8.4 Other Insurances

This Policy does not cover loss or damage which at the time of the happening such loss or damage is insured by or would, but for the existence of this Policy, be insured by any other existing Policy or Policy(s) except in respect of any excess beyond the amount which would have been payable under such other Policy(s) had this insurance not been effected.

8.5 Cancellation

The Insured may cancel any or all of this Policy within thirty (30) days of notifying the Underwriter in writing and the Underwriter will refund to the Insured any premium for the unexpired period of insurance calculated at the Underwriter's current short-term rates.

8.6 This Policy and Schedule are to be read together as one contract and any word or expression to which a specific meaning has been given in any part of the Policy or the Schedule bears that meaning wherever it may appear.

9. CLAIMS

9.1 On the happening of any Event likely to produce a claim under this Policy, the Insured must immediately give notice to the Underwriter by telephone or electronic means and as soon as possible give the Underwriter, at the Insured's own expense, full details in writing containing as particular an account as is practicable of all the circumstances with particulars of the property lost, destroyed or damaged and the extent of the loss or damage sustained and if demanded, a statutory declaration verifying the claim and any connected matter. The Insured must notify the police immediately if any of the property is lost, stolen or maliciously damaged and take all practicable steps to discover the person(s) responsible and to recover the property lost or stolen.

9.2 The Insured or any other person claiming the benefits under this Policy must notify the Underwriter as to any other insurances effected covering the same loss or benefit.

9.3 The Underwriter and every person authorised by them without incurring any liability and without prejudicing the Underwriter's rights in any way to rely upon any conditions of this Policy may enter, take or keep possession of the buildings or premises where any loss, damage or destruction has occurred and the Underwriter may take possession of or require to be delivered to them any of the property which is insured and deal with same for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the Underwriter's right to do so. If the Insured or anyone acting on the Insured's behalf shall not comply with these requirements or shall hinder or obstruct the Underwriter or any person authorised by them in carrying out any of the acts referred to, the Underwriter may decline to pay any monies otherwise payable under this Policy but without prejudice to the Underwriter's rights to cancel this Policy. The Insured shall not in any case be entitled to abandon any property to the Underwriter whether or not the Underwriter has taken possession.

9.4 The Underwriter shall have full discretion in the conduct of any proceedings in connection with any claim and the Insured must give the Underwriter all information and assistance that may be required.

10. CO-OPERATION

If the Underwriter elects to or become bound to reinstate any property, the Insured shall produce and give to the Underwriter all such documentation and information as may reasonably be required.

The Underwriter shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the Sum Insured shown in the Schedule against that item.

11. SUBROGATION

In the event that the Underwriter has a right to recover any monies payable under this Policy from any other person the Insured must co-operate with the Underwriter fully in any proceeding available to the Underwriter at law which may be taken up.

12. PREVENTING THE UNDERWRITER'S RIGHTS OF RECOVERY

The Underwriter shall not be liable to pay any benefits for any loss, damage destruction or liability if the Insured agrees or has agreed to limit or exclude any right of recovery against any third party causing this loss, damage or destruction or causing the Insured to incur liability.

13. OTHER INSURANCES

13.1 The Underwriter will only recognise and be bound to accept those interests which are notified to them at the time of issue of cover or which are notified to them from time to time and accepted by them.

13.2 All persons entitled to any benefit under any Section of this Policy shall be bound by the terms, conditions, exclusions and limitations of this Policy. No interest in this Policy may be transferred without the Underwriter's written consent.

14. MISREPRESENTATION AND NON DISCLOSURE

If the Insured

14.1 fails to disclose any matter which the Insured is under a duty to disclose to the Underwriter; or

14.2 makes a misrepresentation to the Underwriter before this Policy is entered into and if the Underwriter would not have entered into this Policy for the same terms and Conditions expressed in this Policy but for the failure to disclose or the misrepresentation then:

14.2.1 the liability of the Underwriter in respect of any claim will be reduced to an amount to place the Underwriter in the same position in which the Underwriter would have been placed if such non-disclosure had not occurred or such misrepresentation had not been made; or

14.2.2 if the non-disclosure or misrepresentation was fraudulent the Underwriter may avoid this Policy.

15. DUE OBSERVANCE

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