



KEYSTONE

Commercial Specialists' Policy Wording

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Wording

The **Insured** and **Keystone** agree that **Keystone** will provide insurance in accordance with the terms of this **Policy** upon payment of the **Premium** as shown in the **Schedule**, and upon submission by the **Insured** of the **Proposal**, the contents on which **Keystone** will rely.

1. Definitions

These definitions apply to this whole **Policy** unless stated otherwise.

- 1.1. **Aircraft** means any craft or object designed to travel through air or space, or intended to be propelled on a cushion of air over the surface of land or water, and includes a drone.
- 1.2. **Animal(s)** means any living creature including, but not limited to, livestock, birds, fish, vermin or insects.
- 1.3. **Annual Turnover** means the **Turnover** during the twelve months immediately before the date of the **Damage** to which such adjustments will be made as may be necessary to provide for the trend of the **Business**, and for variations in or other circumstances affecting the **Business**, either before or after the **Damage**, or which would have affected the **Business** had the **Damage** not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the **Damage**, would have been obtained during the relative period after the **Damage**.
- 1.4. **Artwork and Collectibles** means fine arts and objets d'art, silverware, tableware, glassware, porcelain, ceramics, pottery, china, sculpture, furniture, books, stamps, wine and spirits, antiques and collectibles of whatsoever nature and includes **Customers' Goods**.
- 1.5. **Breakage** means:
 - 1.5.1. for plate or sheet **Glass** or porcelain, a fracture extending through the entire thickness of the **Glass** or porcelain; or
 - 1.5.2. for laminated **Glass**, a fracture extending through the entire thickness of a lamination but not any other damage or disfiguration.
- 1.6. **Business** means the **Insured's** business(es) as described in the **Schedule** (and, where applicable, as further described in any more specific underwriting information or **Proposal** provided to **Keystone** at the time when this insurance was negotiated).
- 1.7. **Business Hours** means when the **Insured** or any of the **Insured's Employees** are at the **Business Premises** for the purpose of conducting the **Insured's Business**.
- 1.8. **Computer Equipment** means any purpose machine, commonly consisting of digital circuitry, that accepts (inputs), stores, manipulates, and generates (outputs) data as numbers, text, graphics, voice, video files, or electrical signals, in accordance with instructions called a program, including but not limited to **Electronic Data** processing equipment comprising a central processing unit, video display units, printers, hard disks, floppy disk drives, micro diskettes including read and write heads, electro or mechanical motors and passive components, but does not include software.
- 1.9. **Computer Virus** means a corrupting, harmful, or otherwise unauthorised piece of code that infiltrates the **Insured's Computer Equipment**, including a set of unauthorised instructions, programmatic or otherwise, that propagates itself through the **Insured's Computer Equipment**. Computer Virus includes 'trojan horses', 'worms' and 'time or 'logic bombs'.
- 1.10. **Consequential Loss** means loss of use, loss of earning capacity and any other consequential loss of any kind, including loss, damage, cost or expense caused directly or indirectly by, or resulting from, delay or interruption of the **Business**.

1.11. Contents means business and office furniture, tools of trade, equipment and reference library used by the **Insured** in the **Business**.

Contents includes:

- 1.11.1.** unused stationery and printed books; or
- 1.11.2.** where the **Insured** are tenants of a leased or rented **Premises**:
 - 1.11.2.1.** property owner's fixtures and fittings, window blinds and floor coverings for which the **Insured** are liable under the terms of a lease or similar agreement; or
 - 1.11.2.2.** fixtures and fittings installed by the **Insured** for the **Insured's** use in the **Business**; or
- 1.11.3.** plant and machinery, communications systems, fixtures and fittings, signs and awnings (only if the **Insured** is a tenant); or
- 1.11.4.** computers, word processors, printers, scanners and other peripheral equipment and other **Electronic Equipment** or **Electronic Data** processing systems; or
- 1.11.5.** digital or analogue telecommunication transmission and receiving equipment, lighting facilities, televisions, audio visual amplification or surveillance equipment and office machines; or
- 1.11.6.** **Electronic Data, Media**, records, documents, manuscripts, plans, drawings, designs, business books, but only for the value of these materials in their unused or uninstalled state or as blank stationery; or
- 1.11.7.** current patterns, models, moulds, dies and casts used in the **Business** but limited, unless repaired or replaced, to the value stated in the **Insured's** financial records at the time of **Damage** or **Theft**; or
- 1.11.8.** documents of title; or
- 1.11.9.** property of the **Insured's** welfare, sports and social clubs; or
- 1.11.10.** **Artwork and Collectibles** (excluding **Customers' Goods**) when specified as Covered in the **Schedule**; or
- 1.11.11.** **Jewellery and Valuables** (excluding **Customers' Goods**) when specified as Covered in the **Schedule**.

Contents does not include:

- 1.11.12.** **Stock**; or
- 1.11.13.** buildings; or
- 1.11.14.** directors' and **Employees'** tools of trade and personal effects; or
- 1.11.15.** **Vehicles** registered for road use and any other machinery whilst registered for road-related areas, caravans, trailers, **Watercraft, Aircraft, Hovercraft**, rolling stock and locomotives or their accessories; or
- 1.11.16.** live **Animals**; or
- 1.11.17.** plants, shrubs, lawns, growing crops, pastures and standing timber other than pot-plants; or
- 1.11.18.** **Customer's Goods** other than customer's records and documents held or created by the **Insured** as part of the **Business**.

1.12. Customers' Goods means:

- 1.12.1.** goods that belong to the **Insured's** customers that are in the **Insured's** physical or legal control because the **Business** repairs, services, maintains, or stores those goods; or

- 1.12.2. goods that have been purchased by a customer, but are in the **Insured's** physical or legal control awaiting delivery; or
- 1.12.3. items of property at the **Premises** under a 'sales or return' consignment agreement.
- 1.13. **Damage(d)** means physical loss, destruction or damage occurring during the **Period of Insurance** caused by an **Event**. In relation to **Cover 5 – Business Interruption** the definition of **Damage(d)** also includes **Theft**.
- 1.14. **Electronic Data** means facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and include programmes, software and other coded instructions for such equipment.
- 1.15. **Electronic Equipment** means any of the following equipment provided it is owned, leased, operated or controlled by the **Insured** and used in the **Business**:
- 1.15.1. any electronic machine, device or instrument used for research, diagnosis or medical treatment; or
- 1.15.2. telecommunication transmission and receiving equipment; or
- 1.15.3. lighting facilities, audio visual, amplification and surveillance equipment; or
- 1.15.4. office machines owned by the **Insured** or for which the **Insured** are legally responsible; or
- 1.15.5. **Computer Equipment**.
- 1.16. **Employee** means a natural person employed under a contract of service or apprenticeship by the **Insured** and includes any trainee, volunteer, casual, part-time, seasonal, temporary, or work experience personnel.
- 1.17. **Endorsement** means any document which is described as an endorsement to this **Policy** and intends to vary it.
- 1.18. **Event** means one incident or all incidents of a series consequent on, or attributable to, one source or original cause.
- 1.19. **Excess** means the amount specified in the **Schedule** for the type of Cover, Automatic Exclusion or Optional Extension specified.
- 1.20. **External Glass** means **Glass** or plastic material used as **Glass** fixed in external windows, doors, showcases or skylights forming part of the building occupied by the **Insured**.
- 1.21. **Family** means:
- 1.21.1. an **Insured's** spouse, an **Insured's** partner or an **Insured's** de facto who lives with the **Insured**; or
- 1.21.2. an **Insured's** parents and parents-in-law who live with the **Insured**; or
- 1.21.3. an **Insured's** child or child of the **Insured's** spouse, partner or defacto (not being the **Insured's** child) who live with the **Insured**; or
- 1.21.4. an **Insured's** brothers and sisters who live with the **Insured**.
- 1.22. **Financial Service Provider** means a bank, building society or credit union or an agency for any of these.
- 1.23. **Fraudulent Act** means any dishonest, wrongful, deceptive, criminal, malicious or unauthorised act or omission committed by an **Employee**.
- 1.24. **Fungus** means a group of simple plants that have no chlorophyll. They include but are not limited to mould, mildew, yeast and spores.
- 1.25. **Glass** means **External Glass** and **Internal Glass**.

- 1.26. **Gross Income** means the money paid or payable to the **Insured** for goods sold or services rendered less the purchase price of **Stock**.
- 1.27. **Gross Profit** means the amount by which the sum of the **Turnover** and the amount of the closing **Stock** and work in progress exceeds the sum of the opening **Stock** and work in progress and the amount of the **Uninsured Working Expenses**. The amount of the opening **Stock** and closing **Stock** will be determined in accordance with the **Insured's** normal accounting methods with provision made for depreciation.
- 1.28. **Hovercraft** means any vessel, craft or thing made, or intended to float on, or in or travel on, or through the atmosphere or water on a cushion of air provided by a downward blast.
- 1.29. **Indemnity Period** means the period beginning with the occurrence of the **Damage** during which the results of the **Business** are affected by the **Damage** and ending at the expiration of the maximum period specified in the **Schedule**.
- 1.30. **Insured** means the person or entity named as the insured in the **Schedule** and:
- 1.30.1. any **Subsidiary** company of the person or entity named as the insured in the **Schedule** (and its subsidiaries); and/or
- 1.30.2. includes any directors, officers, partners or principals of the entity named as the insured in the **Schedule**.
- 1.31. **Internal Glass** means:
- 1.31.1. **Glass** or plastic material used as **Glass** in internal partitions, windows and doors, **Glass** in counters, **Glass** forming shelves and/or **Stock** restraints, interior showcases, fixed mirrors and other fixed internal **Glass**, including ceramic vitreous china urinals, toilet pans and hand basins; and
- 1.31.2. frames of showcases, display cabinets and counters containing **Glass** in the building occupied by the **Insured**.
- 1.32. **In Custody** means in the **Insured's** custody and control at the **Insured's** private residence or in the custody and control of persons authorised by the **Insured** at their private residences until the next business day when the **Money** can be deposited in the bank.
- 1.33. **In Transit** means **Money** in the **Insured's** personal custody or in the custody of persons authorised by the **Insured**, whilst in transit within Australia. **Money In Transit** includes **Money** while contained in the night safe, night depository chute, or automatic teller machine of any financial services provider. **Keystone's** liability ceases at the time the **Insured's Financial Service Provider** ceases trading on the next business day following the deposit therein. Wages and salaries collected from the bank, but not paid to **Employees** are 'In Transit' until they are physically in the control of **Employees**.
- 1.34. **Jewellery and Valuables** means jewellery, watches, coins, banknotes, currency, bullion and precious metals, diamonds and precious stones, and other valuables, and includes **Customers' Goods**.
- 1.35. **Keystone** means Keystone Underwriting Pty Ltd ABN 78 601 944 763 as Corporate Authorised Representative (No. 000468712) of Keystone Underwriting Australia Pty Ltd ABN 59 634 715 674 AFSL 518224 which is acting on behalf of **Underwriters**.
- 1.36. **Media** means material on which data is recorded or stored, such as magnetic tapes, hard drives, cartridges, dongles, CD's, DVD's, USB's, flash drives or memory cards.
- 1.37. **Money** means cash, bank notes, currency notes, negotiable cheques, negotiable securities, travellers' cheques, debit and credit card vouchers, discount house vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport boarding tickets, authorised gift vouchers, valuable documents (but limited to certificates of stock, bonds, coupons and all other types of securities) and the contents of franking machines.

- 1.37.1. **Money** does not include collectable items (for example coin or stamp collections), or anticipated revenue.
- 1.37.2. **Money** includes funds held in electronic form in a bank account for the purposes of *Cover 3 - Money* only.
- 1.38. **Period of Insurance** means the period specified in the **Schedule**, unless terminated earlier.
- 1.39. **Policy** means the **Schedule**, the terms of this document and any **Endorsement**.
- 1.40. **Premises** means the premises at the location shown in the **Schedule**. The premises include buildings and land within the legal boundaries.
- 1.41. **Premium** means the amount specified in the **Schedule**.
- 1.42. **Principal Insured** means the **Insured**, or if the **Insured** is more than one person or entity, the first person or entity listed as the **Insured** in the **Schedule**.
- 1.43. **Proposal** means the written proposal or declaration made by the **Insured** to **Keystone** containing particulars and statements together with other information provided by the **Insured**.
- 1.44. **Rate of Gross Profit** means an amount, expressed as a percentage, earned on the **Turnover** during the financial year immediately before the date of the **Damage**, to which such adjustments will be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business**, either before or after the **Damage**, or which would have affected the **Business** had the **Damage** not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable, the results which, but for the **Damage**, would have been obtained during the relevant period after the **Damage**.
- 1.45. **Safe or Strongroom** means a container or structure which has been specifically designed for the secure storage of **Money** or **Jewellery and Valuables**, and is designed to resist unauthorised opening by hand-held or power operated tools.
- 1.45.1. A safe is not a:
- 1.45.1.1. cash tin; or
 - 1.45.1.2. locked drawer in a filing cabinet or desk; or
 - 1.45.1.3. burglary resistant container weighing less than 250 kilograms that is not fixed to a solid wall or floor of the **Premises** by anchoring it using mechanical bolting.
- 1.46. **Seasonal Increase Period** means any period of time during the **Period of Insurance** that has **Turnover**, sales or level of **Stock** higher than the average **Turnover**, sales or level of **Stock** at other times during the **Period of Insurance**.
- In the event of a loss under Optional Extension Seasonal Increase, then the **Insured's** financial records over at least the previous two (2) years must substantiate the period as a **Seasonal Increase Period**. If the **Business** is less than two (2) years old, **Keystone** will use the financial records of the **Business** from the date of commencement until the date of the **Damage** or **Theft** to substantiate the **Insured's** claim.
- 1.47. **Schedule** means the current schedule issued by **Keystone** to the **Insured**.
- 1.48. **Shortage in Turnover** means the amount by which the **Turnover** during a period will, in consequence of the **Damage**, fall short of the part of the **Standard Turnover** which related to that period.
- 1.49. **Sign** means **Glass** or plastic that forms part of a sign.
- 1.50. **Standard Turnover** means the **Turnover** during that period in the twelve months immediately before the date of the **Damage** which corresponds with the **Indemnity Period** to which such adjustments will be made, as may be necessary to provide for the trend of the **Business**, and for variations in or other circumstances affecting the **Business**, either before or after the **Damage**, or which would have affected the **Business** had the **Damage** not occurred, so that the adjusted

figures will represent as nearly as may be reasonably practicable the results which, but for the **Damage**, would have been obtained during the relevant period after the **Damage**.

1.51. Stock means:

- 1.51.1. Artwork and Collectibles** when specified as Covered in the **Schedule**; and/or
- 1.51.2. Jewellery and Valuables** when specified as Covered in the **Schedule**; and/or
- 1.51.3.** items of property at the **Insured's Premises** under a 'sales or return' consignment agreement; and/or
- 1.51.4. Customers' Goods.**

1.52. Stolen means **Theft**.

1.53. Subsidiary means any company in which the **Insured** have a controlling interest. For the purpose of this definition, the term 'controlling interest' shall mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders of the company.

1.54. Sum Insured means the amount specified in the **Schedule** as applying to the particular Cover of this **Policy**. This is the maximum amount that **Keystone** will pay for all **Damage** or **Theft** that arises out of any one source or original cause at such **Premises**.

1.55. 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.

1.56. Theft means theft, attempted theft, armed hold up or an actual or threatened assault caused by one or more of the following:

- 1.56.1.** any person who forcibly and violently enters or attempts to enter the **Premises**; or
- 1.56.2.** any person unlawfully concealed at the **Premises**; or
- 1.56.3.** any person who threatens or commits physical violence to the **Insured**, the **Insured's Employees** or other persons; or
- 1.56.4.** armed hold-up at the **Premises**; or
- 1.56.5.** any person who breaks into any locked cabinet and/or counter and/or showcase which is located at the **Premises**.

1.57. Turnover means the amount (less discounts allowed) paid or payable to the **Insured** for goods sold and delivered for services rendered in the course of **Business** at the **Premises**.

1.58. Underwriters means certain Underwriters at Lloyd's participating in this contract of insurance.

1.59. Uninsured Working Expenses means the working expenses of the **Business** which the **Insured** have elected not to insure under *Cover 5 – Business Interruption*, and which are specified in the **Schedule**.

1.60. Vehicle means any machine on wheels or self-laid tracks, designed to be propelled by other than manual or animal power and any trailer or other attachment designed to be drawn by any such machine but not including an **Aircraft** or **Watercraft**.

1.61. Watercraft means any vessel, craft, device or thing designed to float on, or in water, or to travel on, or through water, other than model boats.

2. Basis of Settlement

2.1. Stock

This is the Basis of Settlement for **Stock**.

The maximum amount **Keystone** will pay is the **Sum Insured** specified in the **Schedule**.

When **Stock** is **Damaged** or **Stolen** **Keystone** will:

- 2.1.1. replace owned raw **Stock** at cost price including tax where applicable unless specified otherwise in an **Endorsement**; or
- 2.1.2. replace owned **Stock** at cost price including tax where applicable unless specified otherwise in an **Endorsement**; or
- 2.1.3. replace bullion at LBMA price on the date of the loss; or
 - 2.1.3.1. replace consignment **Stock** or **Customers' Goods** at the invoice/consignment note amount or the **Insured's** liability to the third party as applicable.
 - 2.1.3.2. **Keystone** agree to pay the **Insured**, at the option of the **Insured**, the full amount of the value of a pair or set, if there is any item or items which are part of a pair or set that are **Damaged** or **Stolen**. The **Insured** agrees, if such option is elected, to surrender the remaining article or articles of the pair or set to **Keystone**. **Keystone** will not pay more than the Basis of Settlement above for the pair or set.

2.2. Contents

This is the Basis of Settlement for **Contents**.

- 2.2.1. The maximum amount **Keystone** will pay is the **Sum Insured** specified in the **Schedule**.
- 2.2.2. When **Contents** are **Damaged** or **Stolen**, **Keystone** will replace at cost unless the **Contents** are:
 - 2.2.2.1. **Artwork and Collectibles** when specified as Covered in the **Schedule**; or in which case **Keystone** will replace at the fair market value immediately prior to the loss, the consignment note amount of the **Insured's** liability to the third party as applicable.
 - 2.2.2.2. **Jewellery and Valuables** when specified as Covered in the **Schedule** in which case **Keystone** will replace at the fair market value immediately prior to the loss, the consignment note amount or the **Insured's** liability to the third party as applicable.
- 2.2.3. Replacement of **Contents** is subject to the following conditions:
 - 2.2.3.1. the work of replacing or repairing must be commenced and completed by the **Insured** within a reasonable time otherwise **Keystone** will pay no more than the cost that would have been incurred if the work of replacement or reinstatement has been commenced and carried out within a reasonable period of time; and
 - 2.2.3.2. when **Contents** is **Damaged**, but not destroyed, **Keystone** will not pay more than the amount that **Keystone** could have been called upon to pay for if that property had been destroyed; and
 - 2.2.3.3. **Keystone** will only pay to return the **Contents** to a condition substantially the same as, but not better or more extensive than, its condition when new.
 - 2.2.3.4. **Keystone** agree to pay the **Insured**, at the option of the **Insured**, the full amount of the value of a pair or set, if there is any item or items which are

part of a pair or set that are **Damaged** or **Stolen**. The **Insured** agrees, if such option is elected, to surrender the remaining article or articles of the pair or set to **Keystone**. **Keystone** will not pay more than the Basis of Settlement above for the pair or set.

2.3. Money

This is the Basis of Settlement for **Money**.

- 2.3.1. The maximum amount Keystone will pay is the **Sum Insured** specified in the **Schedule**.
- 2.3.2. **Keystone** will pay the amount of **Money Damaged** or **Stolen** (other than certificates of stock, bonds, coupons and all other types of securities or travellers' cheques).
- 2.3.3. The amount of any certificates of stock, bonds, coupons and all other types of securities will be calculated as follows:
 - 2.3.3.1. if the securities can be replaced with **Keystone's** approval, the cost of replacement paid or payable by the **Insured**; or
 - 2.3.3.2. otherwise, the greater of:
 - 2.3.3.2.1. the price for which the **Insured** purchased them; or
 - 2.3.3.2.2. the closing market value on the last business day prior to the date of discovery by the **Insured** of the loss or destruction of the securities; or
 - 2.3.3.2.3. if the time of discovery by the **Insured** is after the close of the market, their closing market value on the day of discovery by the **Insured**.
- 2.3.4. The value of a loss of subscription, conversion or redemption privileges through the loss of any security will be the value immediately preceding the expiration of the subscription, conversion or redemption, in the currency in which the loss was sustained.
- 2.3.5. Losses sustained in currencies other than Australian dollars will be calculated by converting the amount of loss to Australian dollars at the market rate at the time of settlement of the loss, or such other rates as may have been expressly agreed with **Keystone**. If there is no market price or value on the relevant day, then the value shall be agreed between the **Insured** and **Keystone**, or in default, **Keystone** and the **Insured** shall submit to mediation and be bound by the decision of the mediator.
- 2.3.6. The amount will be calculated at the original purchase price incurred by the **Insured** in the case of travellers' cheques, discount house vouchers or lottery tickets.
- 2.3.7. If the **Safe** or **Strongroom** is **Damaged**, **Keystone** will, at **Keystone's** option:
 - 2.3.7.1. repair the **Safe** or **Strongroom**; or
 - 2.3.7.2. replace the **Safe** or **Strongroom** with an item of a specification equal to but not better or more extensive than it was when new; or
 - 2.3.7.3. if the **Damage** is confined to part of the **Safe** or **Strongroom**, repair or pay the **Insured** the cost of repair of that part plus the cost of any necessary dismantling and reassembling; or
 - 2.3.7.4. pay the **Insured** the cost of repairing or replacing the **Safe** or **Strongroom**.

Keystone will not pay costs of alterations, improvements or overhauls carried out when the **Damaged Safe** or **Strongroom** is repaired or replaced.

2.4. Business Interruption

This is the Basis of Settlement for **Business Interruption**.

2.4.1. The maximum amount **Keystone** will pay is the **Sum Insured** specified in the **Schedule**.

2.4.2. In relation to **Cover 5.1. – Gross Profit**:

2.4.2.1. Cover is limited to the loss of **Gross Profit** due to a reduction in **Turnover** and the increase in the **Insured's** cost of working. The amount payable will be:

2.4.2.2. in respect of reduction in **Turnover**, the sum produced by applying the **Rate of Gross Profit** to the **Shortage in Turnover** during the **Indemnity Period**; plus

2.4.2.3. in respect of the increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which, but for the additional expenditure, would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of reduction thereby avoided; less

2.4.2.4. any sum saved during the **Indemnity Period** in respect of such charges and expenses of the **Business** payable out of **Gross Profit** as may cease or be reduced in consequence of the **Damage**.

Provided that if the **Sum Insured** for loss of **Gross Profit** at the commencement of each **Period of Insurance** is less than the sum produced by applying the rate of **Gross Profit** to eighty percent (80%) of the **Annual Turnover** (or its proportionately increased multiple where the **Indemnity Period** exceeds twelve months), the amount payable for loss of **Gross Profit** only will be reduced so that **Keystone** will be liable for no greater proportion of the loss than that which the **Sum Insured** bears to eighty percent (80%) of the **Annual Turnover** (or its proportionately increased multiple, if appropriate).

2.4.3. In relation to **Cover 5.2. – Additional Increase in Cost of Working**:

2.4.3.1. Cover is limited to the increase in cost of working (not otherwise recoverable) necessarily and reasonably incurred during the **Indemnity Period** in consequence of the **Damage** for the purpose of avoiding or diminishing reduction in **Turnover** and/or resuming and/or maintaining normal business operations and/or services.

2.4.4. In relation to **Cover 5.3. – Accounts Receivable**:

2.4.4.1. Cover is limited to sums due to the **Insured** from debtors that the **Insured** is unable to collect because of **Damage** to records of accounts receivable. **Keystone** will also pay collection expenses in excess of normal collection costs made necessary because of the **Damage** as well as interest charges at the ruling rate of the **Insured's** bank on any loan to offset impaired collections pending repayment of such sums made uncollectible by such **Damage**. If the **Insured** cannot accurately establish the total amount of accounts receivable outstanding as at the date of the **Damage**, the amount will be computed as follows:

2.4.4.1.1. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the **Damage** occurs; and

- 2.4.4.1.2.** calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the year immediately preceding the month in which the **Damage** occurs, as compared with such average for the same months of the year immediately preceding the year in which the **Damage** occurs; then
 - 2.4.4.1.3.** the amount determined under 2.4.4.1.1, increased or decreased by the percentage calculated under 2.4.4.1.2 above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said **Damage** occurs; and
 - 2.4.4.1.4.** the amount determined under 2.4.4.1.3 above will be increased or decreased in conformity with the normal fluctuation in the amount of accounts receivable during the fiscal month involved, consideration being given to the experience of the **Business** since the last day of the last fiscal month for which statements have been rendered less:
 - 2.4.4.1.5.** the amounts of such accounts evidenced by records not suffering **Damage** or otherwise established or collected by the **Insured**; and
 - 2.4.4.1.6.** an amount to allow for probable bad debts that would normally have been uncollectible by the **Insured**; and
 - 2.4.4.1.7.** all unearned interest and service charges; and
 - 2.4.4.1.8.** settlement or term discounts normally allowed.
- 2.4.5.** In relation to **Cover 5.4. – Claim Preparation and Proving Expenses:**
- 2.4.5.1.** Cover is limited to the costs of such reasonable professional fees as may be payable by the **Insured** and other such reasonable expenses necessarily incurred by the **Insured** and not otherwise recoverable, for preparation and negotiation of claims under *Cover 5. – Business Interruption*.

3. Cover One - Property Damage

Cover 1 - Property Damage only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

Cover is provided for **Damage** to the **Insured's Property** during the **Period of Insurance**.

Cover is provided for **Damage** to the **Insured's Stock** and **Contents**. The **Insured** is not covered for **Damage** of **Stock** kept in the open air unless the **Insured** has taken the Optional Extension *Damage or Theft of External Stock*.

Keystone do not cover **Theft** under this Cover.

The **Excess** specified in the **Schedule** applies.

Property Damage Insuring Clause

Keystone will cover the **Insured** up to the **Sum Insured** for **Damage** to the **Insured's Stock** and **Contents** at the **Premises** during the **Period of Insurance**.

Property Damage Automatic Extensions

The following Automatic Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

Keystone will pay for the following costs that are incurred because of **Damage** to **Stock** and **Contents** that is covered by *Cover 1 – Property Damage*.

Capital Additions

- 3.1. **Keystone** will pay for **Damage** to new additions or installations to the amount shown in the **Schedule** for any one **Event**, if **Contents** are in the process of being installed or modified.
- 3.2. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

External Contents

- 3.3. **Keystone** will pay for **Damage** to textile blinds and awnings, shade cloth, shade houses, fibreglass houses and glass houses, gates, fences, signs and retaining walls caused by or arising from storm, rainwater, wind, hail or snow.
- 3.4. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Government Fees

- 3.5. **Keystone** will pay any fee, contribution or other impost payable to any **Government**, **Local Government** or other **Statutory Authority** where payment of the fee, contribution or impost is necessary to obtain consent to reinstate any of the **Insured's Stock** and **Contents** if it is **Damaged**, provided that **Keystone** will not be liable for payment of any fines and/or penalties imposed upon the **Insured** by any such authorities.
- 3.6. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Reinstatement of Sum Insured

- 3.7. **Keystone** will automatically reinstate the **Sum Insured** to the amount shown on the **Schedule** if **Keystone** pay an amount for a claim for loss during the **Period of Insurance** under *Cover 1 Property Damage*. The **Insured** will not be required to pay any additional premium.

Removal and Disposal of Trees and Branches

- 3.8. **Keystone** will pay the reasonable costs associated with the removal and disposal of trees or branches which caused **Damage** to **Stock** and **Contents**.
- 3.9. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Rewriting of Records

- 3.10. **Keystone** will pay the reasonable costs of restoring the **Electronic Data** stored on **Media** or the cost of clerical labour actually, necessarily and reasonably incurred in rewriting, restoring or recreating the:
 - 3.10.1. business books, plans, computer records, patterns and other business records that are **Damaged** at each **Premises**;
 - 3.10.2. business records of the **Insured's** customers at the **Premises**; or
 - 3.10.3. the **Insured's** business records stored off-site.
- 3.11. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Taking Inventory

- 3.12. **Keystone** will pay the reasonable costs and expenses incurred by the **Insured** in taking inventory (including unpacking, repacking and restacking) to identify, quantify and value any **Stock** and **Contents Damaged** during the **Period of Insurance** including examination of **Stock** and **Contents** not belonging to the **Insured**, but in the **Insured's** care, custody or control.

- 3.13. **Keystone** will pay the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Trace and Access

- 3.14. **Keystone** will pay the reasonable costs incurred to detect the point of bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks, fixed appliances, fixed pipes or other systems, during the **Period of Insurance**, at the **Premises** used to hold or carry liquid provided that the bursting, leaking, discharging or overflowing has caused or may reasonably be expected to cause **Damage** to **Stock** and **Contents**. **Keystone** will not cover the repair or replacement of such apparatus, appliances, tanks, pipes or other systems.
- 3.15. **Keystone** will pay the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Property Damage Optional Extensions

The following Optional Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

Keystone will pay for the following costs that are incurred because of **Damage** to **Stock** and **Contents** that is covered by *Cover 1 – Property Damage*.

Any amounts payable under these Extensions apply in addition to the **Sum Insured** unless stated otherwise below.

Keystone will pay up to the amount shown in the **Schedule** for any one **Event**.

Fire Extinguishments Costs

- 3.16. This **Optional Extension** only forms part of this **Policy** when specified as **Covered** in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 3.17. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event** for any statutory charges payable by the **Insured** to a fire brigade or fire-fighting authority for attendance at a fire or chemical emergency involving **Stock** and **Contents** and for the cost of refilling the **Insured's** fire-fighting appliances used in putting out a fire at or adjoining the **Premises** and threatening the **Stock** and **Contents**, during the **Period of Insurance**.
- 3.18. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Removal of Debris

- 3.19. This **Optional Extension** only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 3.20. **Keystone** will pay the reasonable costs of removal, storage and disposal of debris or the demolition, dismantling, cleaning up, shoring up, propping, underpinning or other temporary repairs of **Stock** and **Contents** by the **Insured**. **Keystone** will also pay for the **Insured's** legal liability for the cost of removal of debris from adjoining **Premises**, property, services, roadways and waterways as well as on the site.
- 3.21. **Keystone** will pay the **Insured** up to the amount shown in the **Schedule** for any one **Event**. If this is insufficient and the **Insured** have not exhausted the **Sum Insured** on the **Damaged** items requiring demolition and/or removal of debris, **Keystone** will pay up to the remaining balance of the **Sum Insured**.

Seasonal Increase Period

- 3.22. This **Optional Extension** only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 3.23. **Keystone** will increase the **Sum Insured** in respect of **Stock** during the **Seasonal Increase Period** as indicated in the **Schedule**.

Property Damage Exclusions

Keystone will not pay for the first amount specified on the **Schedule** as **Earthquake Excess** for each claim arising from loss caused by earthquake, tsunami, volcanic eruption or subterranean fire.

Keystone will not cover the **Insured** for **Damage** insurable under any other Cover or Covers of this Policy.

3.24. **Keystone** will not cover the **Insured** for **Damage** caused by:

- 3.24.1.** natural ageing, fading, wear and tear, gradual deterioration, scratching, marring, developing flaws, warping, normal upkeep or any gradual cause; or
- 3.24.2.** corrosion, rust, oxidation, any form of **Fungus**, wet or dry rot, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage; or
- 3.24.3.** change in colour, flavour, texture or finish; or
- 3.24.4.** inherent vice or latent defect; or
- 3.24.5.** loss of weight; or
- 3.24.6.** insects, moth or vermin; or
- 3.24.7.** aridity, humidity, exposure to light or extremes of temperature unless such **Damage** is caused by storm, frost or fire; or
- 3.24.8.** forgery, erasure, counterfeiting by an **Insured** or any **Employee**; or
- 3.24.9.** erosion, subsidence, landslip or mudslide or any other earth movement but **Keystone** will cover **Damage** caused by a landslide or subsidence that occurs within 72 hours of, and directly because of, a storm, earthquake, subterranean fire, volcanic eruption, or water escaping from a water main owned by a water supply authority; or
- 3.24.10.** demolition ordered by any lawful authority as a result of failure by the **Insured** to comply with any lawful requirement; or
- 3.24.11.** the action of the sea or high water, unless caused by or arising from a direct consequence of an earthquake or seismological disturbance; or
- 3.24.12.** faults or defects known to an **Insured** or any **Employee** whose knowledge in law would be deemed to be the **Insured's** knowledge and not disclosed to **Keystone** at the time this insurance was arranged, extended, varied or renewed; or
- 3.24.13.** the cessation of work (whether total or partial), interruption or retarding of any process or operation as a result of any industrial dispute; or
- 3.24.14.** **Electronic Data** processing or **Media** failure or breakdown or malfunction of a processing system including operator entry or omission; or
- 3.24.15.** deliberate and unauthorised corruption, amendment or erasure of **Electronic Data** by an **Insured** or any **Employee** of the **Insured** or any other person who has an interest in the **Stock** and **Contents** whether acting alone or in collusion with any other person; or
- 3.24.16.** **Computer Virus**; or
- 3.24.17.** the gaining of unauthorised access to the **Insured's** computer via any communication system; or
- 3.24.18.** an electrical device (including wiring) caused by a surge in electrical current; or
- 3.24.19.** the operation or presence of any computer program that alters or erases **Electronic Data** or programs in a manner that is undesired by the **Insured**; or
- 3.24.20.** explosion or implosion of any pressure vessels (including any boilers):

3.24.21. the load on the safety valve upon the particular pressure equipment being in excess of the manufacturer's specification at the time of any **Damage**; or

3.24.22. any safety valve limiting pressure being removed or rendered inoperative; or

3.24.23. the failure of the supply of water, gas, electricity or fuel.

The above is on the proviso that **Keystone** will pay for any **Damage** to **Stock** and **Contents** that is not otherwise excluded, that results from **Damage** caused directly by or arising directly from any of these causes.

3.25. Keystone will not cover:

3.25.1. any legal liability of the **Insured**;

3.25.2. Damage caused by or arising from contamination, pollution, smoke or smut except where caused directly by fire, lightning, explosion, impact by any road **Vehicle** or **Animal, Aircraft** or other aerial devices or articles dropped by them, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof, meteorite, riot, civil commotion, persons taking part in an industrial dispute, persons acting maliciously, earthquake, storm, the bursting, overflowing or discharge of tanks, apparatus or pipes containing in water or liquid of any kind, or sprinkler leakage.

3.25.3. fire extinguishment costs unless the **Optional Extension 5.5 Fire Extinguishment Costs** is specified as Covered in the **Schedule**; or

3.25.4. removal of debris unless the **Optional Extension 5.5 Removal of Debris** is specified as Covered in the **Schedule**; or

3.25.5. any seasonal increase in **Stock** unless the **Optional Extension 5.5 Seasonal Increase Period** is specified as Covered in the **Schedule**.

3.26. Keystone will not cover **Damage** within 72 hours from the original commencement of this **Policy**, caused by:

3.26.1. a cyclone named by the Bureau of Meteorology where the **Damage** occurs; or

3.26.2. a bushfire occurring.

Property Damage Conditions

Leased Building Clause

3.27. The **Insured** may agree to enter into a lease for occupancy of any building or a lease for hiring of property where the terms of the lease include a disclaimer clause in favour of the lessee to the owner without prejudicing the **Insured's** position under *Cover 1 – Property Damage*.

Release

3.28. The **Insured** may release any railways, other transportation companies, statutory governmental, semi-governmental or municipal authority from any liability if required by any contract to do so without prejudicing the **Insured's** position under *Cover 1 – Property Damage*.

Under-Insurance

3.29. Keystone will be liable for no greater proportion of the **Damage** than the **Sum Insured** on the **Schedule** bears to 80% of the full insurable value of the **Stock** and **Contents** (net of any input tax credit that the **Insured** could claim) at the time of the commencement of the **Period of Insurance** in the event of **Damage** under this Cover.

3.30. This Condition does not apply if the amount of any **Damage** (net of any input tax credit that the **Insured** could claim) is less than 10% of the **Sum Insured** shown on the **Schedule** at the **Premises**.

- 3.31. Any additional costs incurred to comply with the requirements of any statutory authority, by-laws or regulations shall be omitted from the calculation of **Keystone's** proportion.

4. Cover Two - Theft

Cover 2 - Theft only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

Cover is provided for the **Theft** of the **Insured's Stock and Contents**. The **Insured** is not covered for **Theft of Stock** kept in the open air unless the **Insured** has taken the Optional Extension *Damage to or Theft of External Stock*.

The **Excess** specified in the **Schedule** applies.

Theft Insuring Clause

Keystone will cover the **Insured** for **Theft** to the **Insured's Stock and Contents** occurring during the **Period of Insurance** at the **Insured's Premises**.

Theft Sub-Limits

Display Windows During Business Hours

- 4.1. **Keystone** will only pay up to the sub-limit shown in the **Schedule** for any one **Event** in relation to **Theft of Stock** on display in any one window.

Display Windows Outside Business Hours

- 4.2. **Keystone** will only pay up to the sub-limit shown in the **Schedule** for any one **Event** in relation to **Theft of Stock** on display in all windows.

Out of Safe Outside Business Hours

- 4.3. **Keystone** will only pay up to the sub-limits shown in the **Schedule** for any one **Event** in relation to **Theft of Stock** left out of a locked **Safe** or **Strongroom** at night and at all other times when the **Premises** are not open for business.
- 4.4. This sub-limit shall not apply during any period of temporary daytime closing if at the time of **Theft** there was present in the sales portion of the **Premises** the **Insured** or an **Employee** in charge thereof, nor shall it apply in unforeseen circumstances where, for reasons beyond the **Insured's** control, sudden and urgent vacation of the **Premises** is necessary, provided that the **Insured** shall take all reasonable steps to safeguard the **Stock** in such circumstances.

Theft Automatic Extensions

The following Automatic Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

Damage to Rented Premises

- 4.5. If **Keystone** agree to pay a claim under *Cover 2 - Theft* for **Theft**, then **Keystone** will also cover the **Insured** for damage to **Premises** that the **Insured** occupies as a tenant if the **Insured** is legally liable for that damage under the **Insured's** tenancy agreement, provided that the damage occurred during the **Period of Insurance**.
- 4.6. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Reinstatement of Sum Insured

- 4.7. **Keystone** will automatically reinstate the **Sum Insured** to the amount shown on the **Schedule** if **Keystone** pay an amount for a claim under *Cover 2 - Theft*. The **Insured** will not have to pay any additional premium.

Theft Optional Extensions

The following Optional Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

The **Excess** specified in the **Schedule** applies to these Optional Extensions.

Rewriting of Records

- 4.8. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 4.9. **Keystone** will pay for any reasonable labour costs incurred in reproducing or making good the **Business** records if they are **Stolen** while located at the **Insured's Premises** or offsite anywhere in Australia.
- 4.10. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Seasonal Increase Period

- 4.11. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 4.12. **Keystone** will increase the **Sum Insured** in respect of **Stock** during the **Seasonal Increase Period** as indicated in the **Schedule**.

Theft Exclusions

Keystone will not pay for:

Access

- 4.13. **Theft** of **Stock** and **Contents** if entry is gained to the building occupied by the **Insured**:
 - 4.13.1. by use of a key or security code; or
 - 4.13.2. through an unlocked door or window,
 - 4.13.3. except as provided for under Optional Extension *11.13 - 11.17 Employee Dishonesty*;

Glass

- 4.14. the breakage of glass (including washbasins, sinks, toilet pans or cisterns, or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken glass) unless it is **Stock**.

Locked Showcases, Cupboards, Drawers or Counters

- 4.15. **Theft** of **Stock** unless the **Stock** is kept within showcases, cupboards, drawers or counters which are kept locked with the keys removed at all times except when the **Stock** has been temporarily removed for reason such as inspection by a customer, in which case **Stock** must not be left unattended by the **Insured** or an **Employee**.

Rewriting of Records

- 4.16. costs incurred in reproducing or making good the **Business** records if they are **Stolen** unless the Optional Extension *4.15-4.17 Rewriting of Records* is specified as Covered in the **Schedule**.

Seasonal Increase Period

- 4.17. any seasonal increase in **Stock** unless the Optional Extension *4.18-4.19 Seasonal Increase Period* is specified as Covered in the **Schedule**.

Theft by Persons

4.18. **Theft** committed by:

- 4.18.1. an **Insured, Employees** or any member of an **Insured's Family** other than following forcible and violent entry by the **Insured's Employees** or a member of an **Insured's Family**; or
- 4.18.2. any person or persons while lawfully at the building occupied by the **Insured**.

5. Cover Three - Money

Cover 3 - Money only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

Cover is provided for **Damage** or **Theft** of the **Business' Money**. The **Money** may be **In Transit** or at the **Premises**.

The **Excess** specified in the **Schedule** applies.

Money Insuring Clause

Keystone will cover the **Insured** for **Damage** or **Theft** to **Money** occurring during the **Period of Insurance** as a result of the defined events described below:

- 5.1. **Money in Transit**; or
- 5.2. **Money** on the **Premises** during business hours; or
- 5.3. **Money** in a securely locked **Safe or Strongroom** outside business hours; or
- 5.4. **Money in Custody**.

Money Automatic Extensions

The following Automatic Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

Loss of or Damage to Safes, Strongrooms and Cash Carrying Bags

- 5.5. **Keystone** will pay the **Insured**, if **Money** is **Stolen** from the **Insured's Safe** or **Strongroom** or cash carrying bag:
 - 5.5.1. the cost of opening the **Safe** or **Strongroom** and of repairing or replacing any loss or damage to the **Safe** or **Strongroom** that was caused by the **Theft**;
 - 5.5.2. for loss of or damage to the **Insured's** cash carrying bag that was caused by the **Theft**.
- 5.6. **Keystone** will pay the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Reinstatement of Sum Insured

- 5.7. **Keystone** will automatically reinstate the **Sum Insured** to the amount shown on the **Schedule** if **Keystone** pay an amount for a claim under *Cover 3 - Money*. The **Insured** will not have to pay any additional premium.

Traveller's Money

- 5.8. **Keystone** will pay the **Insured** for **Damage** or **Theft** of **Money** in the **Insured's** custody, or in the custody of the **Insured's Employee**, while the **Insured** or **Employee** is travelling for the **Business** anywhere in the world.
- 5.9. **Keystone** will pay the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Money Exclusions

Keystone will not pay for:

Consequential Loss

5.10. loss of use, loss of earning capacity and any other **Consequential Loss**;

Key or Combination in Building

5.11. **Damage** or **Theft of Money** from any **Safe** or **Strongroom** opened by a key or by use of details of a combination that are left in the building occupied by the **Insured** outside **Business Hours**;

Loss Outside the Commonwealth of Australia

5.12. **Damage** or **Theft to Money** occurring outside Australia except as provided under Automatic Extension 5.9-5.10 *Traveller's Money*;

Professional Carrier

5.13. **Damage** or **Theft to Money** while professional **Money** carriers, professional carriers or common carriers are carrying it.

6. Cover Four - Glass

Cover 4 - Glass only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

Cover is provided for the **Breakage** of **Glass** which the **Insured** owns or for which the **Insured** is legally responsible, occurring during the **Period of Insurance** at the **Premises**.

The **Excess** specified in the **Schedule** applies.

Glass Insuring Clause

Keystone will pay for the cost of replacement of broken **Glass** with **Glass** of similar manufacture and quality including the reasonable costs for after-hours service by repairers, express delivery and overtime charges to repair or replace broken **Glass**. **Keystone** will also pay the extra cost necessarily incurred to comply with the minimum requirements of any statutory authority when replacing the **Glass**.

Glass Automatic Extensions

The following Automatic Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

Any amounts payable under these Automatic Extensions apply in addition to the **Sum Insured** unless stated otherwise below.

Costs

6.1. If **Keystone** agree to pay a claim under *Cover 4 - Glass* for **Breakage** to **Glass**, then **Keystone** will also pay for the following costs provided they are reasonably incurred by the **Insured** and are directly related to **Breakage** of the **Glass** under this *Cover 4 - Glass*:

- 6.1.1. the cost of temporary shuttering necessary to secure otherwise exposed **Stock** and **Contents** pending replacement of the broken **Glass**; and
- 6.1.2. the costs incurred in replacing signwriting, ornamentation, reflective materials and burglar alarm tapes and connections attached to the broken **Glass**; and
- 6.1.3. the cost incurred in repairing or replacing damage to window, door or showcase frames and their fittings; and
- 6.1.4. the cost incurred in repairing or replacing tiles on shop and office fronts and around the broken **Glass**; and

6.1.5. the cost of repairing or replacing bars, grilles or shutters.

6.2. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Destruction of Stock and Contents

6.3. If **Keystone** agree to pay a claim under *Cover 4 - Glass* for **Breakage to Glass**, then **Keystone** will also pay for **Damage** to the **Insured's Stock and Contents**, caused by broken **Glass** following the **Breakage of Glass** where such **Breakage** constitutes an admissible claim under this *Cover 4 - Glass*.

6.4. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Malicious Damage

6.5. **Keystone** will pay for the cost of replacement of **External Glass** which has suffered malicious damage. This Automatic Extension is payable even where there is no **Breakage of External Glass**.

Overtime

6.6. If **Keystone** agree to pay a claim under *Cover 4 - Glass* for **Breakage to Glass**, then **Keystone** will also pay the reasonable costs of after-hours service by repairers, express delivery and overtime charges to repair or replace broken **Glass**.

6.7. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Signs

6.8. **Keystone** will cover the **Insured** for loss or damage to **Signs** at the **Premises** if they break during the **Period of Insurance**.

6.9. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Glass Exclusions

6.10. **Keystone** will not pay for **Breakage to Glass**:

6.10.1. when being transported or whilst being fitted into position or removed from its fitting;
or

6.10.2. forming part of **Stock**; or

6.10.3. in light fittings; or

6.10.4. that is cracked or imperfect prior to **Breakage**; or

6.10.5. that is not fit for the purpose intended; or

6.10.6. that is in a glasshouse, conservatory or the like, television, computer screen or any domestic item such as a vase, china ware or **Glass** in a photo frame.

7. Cover Five - Business Interruption

Cover 5 – Business Interruption only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

The **Excess** specified in the **Schedule** applies.

Business Interruption Insuring Clause

Keystone will cover the **Insured** for loss resulting from interruption or interference with the **Business** in consequence of **Damage** to any **Property Insured** or any part thereof used by the **Insured** at the **Premises** for the purpose of the **Business** provided that:

- 7.1. the payment is in accordance with the 'Basis of Settlement' as specified; and
- 7.2. **Keystone** have paid for such **Damage** to the **Property Insured** under *Cover 1 - Property Damage*, *Cover 2 - Theft*, *Cover 3 - Money* or *Cover 4 – Glass*, or another insurer has paid for such **Damage**; and
- 7.3. **Keystone** would have paid for such **Damage** under *Cover 1 - Property Damage*, *Cover 2 - Theft*, *Cover 3 - Money* or *Cover 4 – Glass* of this **Policy**, or another insurer would have paid for such **Damage** and it would otherwise be covered under the relevant Cover, but for the application of an **Excess**; and
- 7.4. **Keystone's** liability in no case will exceed, in respect of each loss, the **Sum Insured** shown in the **Schedule** for that Cover.

Cover 5 – Business Interruption provides protection from interruption or interference with the **Business** in consequence of **Damage** to any **Property Insured** or any part thereof used by the **Insured** at the **Premises** for the purpose of the **Business** under:

- 7.5. *Cover 5.1. – Gross Profit* (if specified as Covered); and/or
- 7.6. *Cover 5.2. – Additional Increase in Cost of Working* (if specified as Covered); and/or
- 7.7. *Cover 5.3. – Accounts Receivable* (if specified as Covered); and/or
- 7.8. *Cover 5.4. – Claim Preparation and Proving Expenses* (if specified as Covered).

Business Interruption Automatic Extensions

The following Automatic Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

Any amounts payable under these Extensions are included in the **Sum Insured** unless stated otherwise below.

Computer Installation

- 7.9. **Keystone** will treat **Damage** to computer installations, including any ancillary equipment and **Electronic Data** processing **Media**, utilised by the **Insured** in the **Business** in Australia, other than at the **Premises**, as **Damage** for the purpose of *Cover 5.1. – Gross Profit* provided that:
 - 7.9.1. the **Damage** would have been covered under *Cover 1 - Property Damage* if the computer facilities had been insured under *Cover 1 - Property Damage*; and
 - 7.9.2. the **Damage** results in the **Insured** being unable to utilise a computer installation or any ancillary equipment in the **Insured's** business; and
 - 7.9.3. the **Damage** results in interruption of, or interference with, the **Business**.

Contractual Fines and Penalties

- 7.10. Following a claim under *Cover 5.1. – Gross Profit*, **Keystone** will also pay:
 - 7.10.1. for fines or damages, other than aggravated, punitive or exemplary damages, for breach of contract resulting from non-completion or late completion of orders; and/or

7.10.2. in discharge of contract purchases, cancellation charges, fines or damages for breach of contracts for the purchase of goods or services which cannot be utilised by the **Insured** during the **Indemnity Period**, less any value to the **Insured** for such goods or the amount received from sale.

7.11. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Customers and Suppliers

7.12. **Keystone** will treat **Damage** to unspecified property within Australia at:

7.12.1. the premises of the **Insured's** suppliers, manufacturers or processors of component goods, materials or services which supply the **Business** directly; or

7.12.2. the premises of customers of goods or materials or services (other than those services provided by any utilities); or

7.12.3. as **Damage** for the purpose of *Cover 5.1. – Gross Profit*.

7.13. The amount payable under this Automatic Extension shall not exceed 10% of the total **Sum Insured** for *Cover 5.1. – Gross Profit*.

Documents Temporarily Removed

7.14. **Keystone** will treat **Damage** to the **Insured's** documents or documents held in trust by the **Insured** and **Electronic Data** files belonging to or held in trust by the **Insured** as part of the **Business** that are:

7.14.1. temporarily removed to other premises anywhere in Australia; or

7.14.2. while in transit to any place in Australia;

if the following apply:

7.14.3. the **Damage** would have been covered under *Cover 1 - Property Damage* if the documents and **Electronic Data** files had been insured under *Cover 1 - Property Damage*;

7.14.4. the **Damage** results in interruption of or interference with the **Business**,

7.14.5. as **Damage** for the purpose of *Cover 5.1. – Gross Profit*.

7.15. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Explosion of Pressure Vessels

7.16. **Keystone** will treat the self-explosion or collapse of pressure vessels, including boilers, compressors or economisers at the **Premises** as **Damage** for the purposes of *Cover 5.1. – Gross Profit*.

Infectious Disease, Bomb Threat, Murder or Suicide

7.17. **Keystone** will regard the following as **Damage** for the purpose of *Cover 5.1. – Gross Profit*, and cover the **Insured** for interruption to or interference with the **Business** due to closure or evacuation of the whole or part of the **Premises** during the **Period of Insurance** by order of a competent government, public or statutory authority as a result of:

7.17.1. bomb threat, vermin or pests, or defects in the drains or other sanitary arrangements, occurring at the **Premises**; or

7.17.2. an outbreak of an infectious or contagious human disease occurring within a 20-kilometre radius of the **Premises**, however there is no cover for highly pathogenic Avian Influenza or any other diseases declared to be quarantinable diseases under the Quarantine Act 1908 and subsequent amendments irrespective of whether discovered at the **Premises**, or out-breaking elsewhere; or

7.17.3. murder or suicide occurring at the **Premises**.

- 7.18. The amount payable under this Automatic Extension shall not exceed 10% of the total **Sum Insured** for *Cover 5.1. – Gross Profit*.

Loss of Attraction

- 7.19. If the **Business** is located within a multi-tenanted retail shopping complex, **Keystone** will treat **Damage** to property of a major tenant as being **Damage** for the purposes of *Cover 5.1. – Gross Profit* provided that:
- 7.19.1. the **Damage** to the property of the major tenant would have been covered under *Cover 1 - Property Damage* if such **Damage** had been to **Stock** and **Contents** under *Cover 1 - Property Damage*; and
 - 7.19.2. the **Damage** results in a reduced pedestrian count in the shopping complex; and
 - 7.19.3. the **Damage** results in interruption of, or interference with, the **Business**.

Motor Vehicles Owned or Operated by the Insured

- 7.20. **Keystone** will cover the **Insured** for interruption to the **Business** that is caused by or results from **Damage** during the **Period of Insurance** to any registered **Vehicles** or trailers owned or operated by the **Insured**, while such **Vehicles** are at the **Premises** or at other premises in Australia, but not on a public thoroughfare, as **Damage** for the purpose of *Cover 5.1. – Gross Profit*.
- 7.21. The amount payable under this Automatic Extension shall not exceed 10% of the total **Sum Insured** for *Cover 5.1. – Gross Profit*.

Prevention of Access

- 7.22. **Keystone** will cover the **Insured** under *Cover 5.1. – Gross Profit* for interruption to, or interference with, the **Business** that is caused by, or results from, **Damage** to property in the vicinity of the **Premises** which shall prevent or hinder the use of, or access to, the **Premises**, provided that the **Damage**:
- 7.22.1. would have been covered under *Cover 1 - Property Damage* if the property in the vicinity of the **Premises** had been insured under *Cover 1 - Property Damage*; and
 - 7.22.2. prevents or hinders the use of, or access to, the **Premises**; and
 - 7.22.3. results in interruption of, or interference with, the **Business**.
- 7.23. **Keystone** will cover the **Insured** for interruption to the **Business** that is caused by an order of any legal authority which prevents or restricts access to the **Premises**, provided that the order results from the threat of **Damage** to property within a 50 kilometre radius of the **Premises**.

Reinstatement of Sum Insured

- 7.24. **Keystone** will automatically reinstate the **Sum Insured** to the amount shown on the **Schedule** if **Keystone** pay an amount for a claim for loss during the **Period of Insurance** under *Cover 5 Business Interruption*. The **Insured** will not be required to pay any additional premium.

Roads, Bridges and Railway Lines

- 7.25. **Keystone** will treat **Damage** to roads, bridges and/or railway lines within Australia over which raw materials, components and **Stock** are conveyed to or from the **Premises** as being **Damage** for the purposes of *Cover 5.1. – Gross Profit* if the following apply:
- 7.25.1. the **Damage** would have been covered under *Cover 1 - Property Damage* if such **Damage** had been to **Stock** and **Contents** under *Cover 1 - Property Damage*; and
 - 7.25.2. the **Damage** results in not being able to convey **Stock**, components or materials used in the **Business** to and from the **Premises**; and
 - 7.25.3. the **Damage** results in interruption of, or interference with, the **Business**.

Utilities

- 7.26. **Keystone** will treat as **Damage** for the purposes of *Cover 5.1. – Gross Profit*, any **Damage** to the following utilities:
- 7.26.1. any electricity supply system; or
 - 7.26.2. any gas supply system; or
 - 7.26.3. water supply or sewerage works; or
 - 7.26.4. any telecommunications system that is land-based within Australia and supplies the **Business**,
- if the following apply:
- 7.26.5. the **Damage** would have been covered under *Cover 1 - Property Damage* if such **Damage** had been to **Stock** and **Contents** under *Cover 1 - Property Damage*; and
 - 7.26.6. the **Damage** results in hindering or stopping the supply of electricity, gas, water or sewage or telecommunications to the **Premises**, or sewage from the **Premises**; and
 - 7.26.7. the **Damage** results in interruption of, or interference with, the **Business**.
- 7.27. **Keystone** will not pay for the first 48 hours where the utility which was **Damaged** is not at, or immediately adjacent to, the **Premises**.

Business Interruption Conditions

Accumulated Stocks

- 7.28. Account will be taken and equitable allowance made in adjusting any loss, if any reduction in **Turnover** in consequence of the **Damage** is postponed by reason of the **Turnover** being temporarily maintained from an accumulated **Stock** of finished goods.

Alternative Trading

- 7.29. If during the **Indemnity Period**, goods are sold, work is performed or services are rendered elsewhere than at the **Premises** for the benefit of the **Business**, either by the **Insured**, or by others acting on the **Insured's** behalf, the money paid or payable in respect of such sales, work or services will be brought into account in arriving at the **Turnover** during the **Indemnity Period**.

Books of Account

- 7.30. Any particulars or details contained in the **Insured's** books of account or other business books or documents that may be required by **Keystone** for investigating or verifying any claim made under *Cover 5 – Business Interruption* must be produced and certified by the **Insured's** auditors, and their certificate will be prima facie evidence of the particulars and details to which the certificate relates.

Departmental

- 7.31. **Keystone** will apply the cover provided to each department of the **Business** separately, if the **Business** is conducted in departments, and each department has independent trading results which are ascertainable.

Loss Within Twelve Months of Establishment

- 7.32. The defined terms **Annual Turnover**, **Rate of Gross Profit**, and **Standard Turnover** shall have the following meanings wherever they appear in *Cover 5 – Business Interruption* in the event of **Damage** occurring at the **Premises** before the completion of the first year's trading of the **Business**:
- 7.32.1. **Annual Turnover** means the actual **Turnover** achieved during the **Insured's** first year of operations, from the commencement of the **Business** to the date of the **Damage**, converted to a 12-month equivalent figure.

- 7.32.2. Rate of Gross Profit** means the proportion that the **Gross Profit** bears to the **Turnover** during the period between the date of commencement of the **Business** and the date of the **Damage**.
- 7.32.3. Standard Turnover** means the **Turnover** achieved between the date of commencement of the **Business** and the date of the **Damage**, converted to the selected **Indemnity Period**.
- 7.33.** The above definitions may be used as necessary to calculate the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage**, or which would have affected the **Business** had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result which, but for the **Damage**, would have been obtained during the relative period after the **Damage**.

Salvage Sale

- 7.34.** **Damage** that gives rise to a claim under *Cover 5 – Business Interruption*, and where the **Insured** holds a salvage sale during the **Indemnity Period**, shall amend **Gross Profit** in respect of reduction in **Turnover** to mean the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** (less the **Turnover** for the period of the salvage sale), in consequence of the **Damage**, falls short of the **Standard Turnover**, from which shall be deducted the **Gross Profit** actually earned during the period of the salvage sale.
- 7.35.** The definition of **Shortage in Turnover** shall, for the purpose of such claim, mean the amount by which the **Turnover** during a period (less the **Turnover** for the period of the salvage sale), in consequence of the **Damage**, falls short of the part of the **Standard Turnover** which relates to that period, from which shall be deducted the payroll paid out of the proceeds of the salvage sale.

8. Cover Six – Sendings and Transit

Cover 6 – Sendings and Transit only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

The **Excess** specified in the **Schedule** applies.

Courier Transit – Artwork and Collectibles

- 8.1.** **Keystone** will pay for **Damage** or **Theft** of **Artwork and Collectibles** whilst in transit with a courier.
- 8.2.** Notwithstanding the expiry date of this **Policy**, **Keystone** agree that provided the item commenced transit during the **Period of Insurance**, then cover is provided by this **Policy**.
- 8.3.** **Keystone** will not pay for **Damage** or **Theft** of **Artwork and Collectibles** unless they have been adequately packed and secured, having regard to the nature of the item and the circumstances of the transit.
- 8.4.** The **Insured** undertakes to keep a record of all items covered under this Optional Extension for declaration to **Keystone** on expiry of this **Policy**.
- 8.5.** This cover ceases immediately on delivery and **Keystone** will not pay for **Damage** or **Theft** of **Artwork and Collectibles** after this has occurred.
- 8.6.** **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event** depending on the travel region specified in the **Schedule**.

Personal Transit - Artwork and Collectibles

- 8.7. **Keystone** will pay for **Damage** or **Theft** of **Artwork and Collectibles** whilst they are in transit by the **Insured, Employees**, agents or anyone else to whom the **Artwork and Collectibles** are entrusted by the **Insured**, provided the **Artwork and Collectibles** are:
- 8.7.1. not left unattended in a private dwelling; or
 - 8.7.2. physically carried and remain under close personal supervision at all times, except when **Artwork and Collectibles** may not be carried as cabin luggage due to airline regulations; or
 - 8.7.3. on the premises of a hotel or motel, but only where under immediate personal supervision; or
 - 8.7.4. not left in an unattended **Vehicle**.
- 8.8. **Keystone** will not pay for **Damage** or **Theft** of **Artwork and Collectibles** unless they have been adequately packed and secured, having regard to the nature of the item/s and the circumstances of the transit.
- 8.9. This cover ceases immediately on delivery and **Keystone** will not pay for **Damage** or **Theft** of **Artwork and Collectibles** after this has occurred.
- 8.10. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event** depending on the travel region specified in the **Schedule**.

Personal Transit – Jewellery and Valuables

- 8.11. **Keystone** will pay for **Damage** or **Theft** of **Jewellery and Valuables** whilst it is in transit by the **Insured, Employees**, agents or anyone else to whom the **Jewellery and Valuables** are entrusted by the **Insured**, provided the **Jewellery and Valuables** are:
- 8.11.1. not left unattended in a private dwelling unless in a locked, secured safe; or
 - 8.11.2. physically carried and remain under close personal supervision at all times, except when **Jewellery and Valuables** may not be carried as cabin luggage due to airline regulations; or
 - 8.11.3. on the premises of a hotel or motel, but only where under immediate personal supervision or whilst contained in the main locked hotel **Safe or Strongroom** which is not the hotel/motel room safe; or
 - 8.11.4. not left in an unattended **Vehicle**.
- 8.12. **Keystone** will not pay for **Damage** or **Theft** of **Jewellery and Valuables** unless they have been adequately packed and secured, having regard to the nature of the item and the circumstances of the transit.
- 8.13. This cover ceases immediately on delivery and **Keystone** will not pay for **Damage** or **Theft** of **Jewellery and Valuables** after this has occurred.
- 8.14. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event** depending on the travel region specified in the **Schedule**.

Professional Transit – Artwork and Collectibles

- 8.15. **Keystone** will pay for **Damage** or **Theft** of **Artwork and Collectibles** whilst in transit with a professional fine art carrier.
- 8.16. Notwithstanding the expiry date of this **Policy**, **Keystone** agree that provided the item commenced transit during the **Period of Insurance** then cover is provided by this **Policy**.
- 8.17. **Keystone** will not pay for **Damage** or **Theft** of **Artwork and Collectibles** unless they have been adequately packed and secured, having regard to the nature of the item and the circumstances of the transit.

- 8.18. The **Insured** undertakes to keep a record of all items covered under this Optional Extension for declaration to **Keystone** on expiry of this **Policy**.
- 8.19. This cover ceases immediately on delivery and **Keystone** will not pay for **Damage** or **Theft** of **Artwork and Collectibles** after this has occurred.
- 8.20. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event** depending on the travel region specified in the **Schedule**.

Sendings – Jewellery and Valuables

- 8.21. **Keystone** will pay for **Damage** or **Theft** of **Jewellery and Valuables** whilst in transit in accordance with the Sendings Schedule.
- 8.22. Notwithstanding the expiry date of this **Policy**, **Keystone** agree that provided the **Package** or **Shipment** commenced transit during the **Period of Insurance**, then cover is provided by this **Policy**.
- 8.23. **Keystone** will not pay for **Damage** or **Theft** of **Jewellery and Valuables** unless they have been adequately packed and secured having regard to the nature of the item and the circumstances of the transit.

Keystone will not pay for **Damage** or **Theft** of **Jewellery and Valuables** unless:

- 8.23.1. there is no mention of the nature of the contents visible on the outside of the parcel or on the Air Waybill or shipping documents. The appropriate Harmonised System (HS) code should be used for overseas shipments where a description of the items must be provided for the carrier's or customs purposes; and
 - 8.23.2. no value will be shown on the outside of the parcel or on the Air Waybill or shipping documents. An 'Invoice Enclosed' or 'Documents Enclosed' sticker should be used for overseas shipments where a value must be declared for customs purposes, with the invoice folded and placed inside the document wallet so that the value is not visible; and
 - 8.23.3. words such as 'diamonds', 'jewellery', 'jewellers', 'gold' or similar must be omitted from the name of the recipient and/or the sender where they appear on the outside of the parcel; and
 - 8.23.4. where possible, the carrier's Electronic Trade Documents (ETD) service should be used.
- 8.24. The **Insured** undertakes to keep a record of all sendings covered under this **Policy** for declaration to **Keystone** on expiry of this **Policy**.
 - 8.25. This cover ceases immediately on delivery and **Keystone** will not pay for **Damage** or **Theft** of **Jewellery and Valuables** after this has occurred.
 - 8.26. **Keystone** will pay up to the amount shown in the Sendings Schedule for any one **Event**.

9. Cover 7 – Exhibitions and Shows

Cover 7 – Exhibitions and Shows only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

The **Excess** specified in the **Schedule** applies.

Exhibitions/Shows – Artwork and Collectibles

- 9.1. **Keystone** will pay for **Damage** or **Theft** of **Artwork and Collectibles** of every kind whilst on display at a public exhibition or show within Australia.
- 9.2. **Keystone** will not pay for **Theft**:

- 9.2.1. during exhibition or show hours unless the exhibition or show stand/area is attended at all times by the **Insured, Employees** or representatives;
 - 9.2.2. outside of exhibition or show hours unless such items are kept in a locked, secured safe and/or vault/strongroom, or where that is impracticable, in a guarded or alarmed security room within the confines of the exhibition/show venue.
- 9.3. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Exhibitions/Shows – Jewellery and Valuables

- 9.4. **Keystone** will pay for **Damage** or **Theft** of **Jewellery and Valuables** whilst on display at a public exhibition or show within Australia which is promoted or financially assisted by a trade association or public authority for the purpose of promoting the **Business**.
- 9.5. **Keystone** will not pay for **Theft**:
- 9.5.1. during exhibition hours unless:
 - 9.5.1.1. the exhibition or show stand/area is attended at all times by the **Insured, Employees** or authorised representatives; and
 - 9.5.1.2. any **Jewellery and Valuables** are kept within showcases, cupboards or counters which must be kept locked with the keys removed at all times, except when an item has been temporarily removed for reason such as inspection by a customer, in which case the item must not be left unattended by the **Insured, Employees** or authorised representatives;
 - 9.5.2. outside of exhibition or show hours unless:
 - 9.5.2.1. any **Jewellery and Valuables** are kept in a locked, secured safe and/or vault/strongroom, or where that is impracticable, in a guarded or alarmed security room within the confines of the exhibition or show venue; or
 - 9.5.2.2. if being transported by the **Insured, Employee** or authorised representatives or an authorised employee or contractor of the exhibition or show organiser within the confines of the exhibition or show, but only while taking the **Jewellery and Valuables** directly from the safe, vault or guarded security room to the showcases, cupboards or counters and vice versa; or
 - 9.5.2.3. the **Jewellery and Valuables** are being unpacked and set up before exhibition or show opening hours by the **Insured, Employee**, or authorised representative, or being dismantled and re-packed after exhibition or show closing hours.
 - 9.5.3. The **Jewellery and Valuables** shall remain under the close personal control of the **Insured** or **Employee** at all times unless provided for as stated above.
- 9.6. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

10. Automatic Extensions

These Automatic Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

Approved Claim Preparation Costs

- 10.1. **Keystone** will pay for reasonable professional fees and such other expenses incurred by the **Insured** for the preparation and negotiation of a claim under a Cover other than *Cover 5 – Business Interruption*.

- 10.2. The **Insured** must obtain **Keystone's** written approval to incur claim preparation costs before the **Insured** incurs them, to which **Keystone** agree not to unreasonably withhold consent.
- 10.3. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Emergency Mitigation Costs

- 10.4. **Keystone** give the **Insured** the authority to arrange emergency repairs on **Keystone's** behalf in the case of an emergency where the **Insured** is required to prevent further **Damage** to the **Insured's Stock** and **Contents** as a direct result of that emergency, and the **Stock** and **Contents** is covered by this **Policy**.
- 10.5. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Funeral Expenses

- 10.6. If **Keystone** agree to pay a claim under *Cover 2 - Theft* or *Cover 3 - Money* for **Theft**, then **Keystone** will also cover the **Insured** for burial or cremation costs of any director, **Employee**, officer or business partner who sustains a fatal injury provided:
- 10.6.1. their death directly results from an assault that occurs during a **Theft** in the **Period of Insurance** of property owned by the **Insured** or for which the **Insured** is legally responsible; and
- 10.6.2. the death occurs within twelve (12) months of the assault.
- 10.7. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**, to the estate of the deceased person. This limit is in addition to the **Sum Insured**.

Repairs to Damage by the Insured

- 10.8. **Keystone** agree to pay the **Insured's** labour costs and overhead expenses subject to the terms and conditions of the **Policy** when **Keystone** agree that the repair of the **Damage** can be undertaken by the **Insured** or the **Insured's Employees**. **Keystone** will not pay more than the amount required by a competent contractor to do the same work.

Payment of Rewards

- 10.9. **Keystone** will reimburse any public reward expense paid by the **Insured** to recover property or to identify the offenders responsible following **Damage** or **Theft** to the **Insured's Stock** and **Contents** for which a claim has been paid under this **Policy**. This is on the proviso that:
- 10.9.1. the terms of the reward are agreed by **Keystone** and approved by the relevant **Authority** before being offered; and
- 10.9.2. **Keystone's** payment does not exceed the value of the property lost, destroyed or damaged.
- 10.10. **Keystone** agree not to unreasonably withhold consent to the terms or the amount of any reward payable under this **Policy** provision, nor does **Keystone's** offer to pay such reward in any way limit the amount of any reward the **Insured** may wish to offer for the **Insured's** own account.
- 10.11. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Temporary Protection and Security Guards

- 10.12. If **Keystone** agree to pay a claim under *Cover 1 - Property Damage*, *Cover 2 - Theft* or *Cover 3 - Money* for **Damage** or **Theft**, then **Keystone** will also pay the reasonable and necessary costs of temporary protection and repairs and the employment of guards or watchman by the

Insured, for the safety and protection of the building pending repair of damage to the building caused by the **Damage** or **Theft**.

- 10.13. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

11. Optional Extensions

The following Optional Extensions are all subject to the terms and conditions of this **Policy** unless expressly stated otherwise.

The **Excess** specified in the **Schedule** applies to these Optional Extensions.

Contents Away from Premises

- 11.1. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.2. **Keystone** will pay for **Damage** or **Theft** of **Contents** whilst away from the **Premises** but within Australia.
- 11.3. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Damage to Premises by Thieves

- 11.4. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.5. If **Keystone** agree to pay a claim under *Cover 2 - Theft* or *Cover 3- Money* for **Theft** then **Keystone** will also cover the **Insured** for damage to fixtures and fittings of the **Insured's**, provided that damage occurred during the **Period of Insurance**.
- 11.6. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**. This limit is in addition to the **Sum Insured**.

Damage or Theft of External Stock (Open Air)

- 11.7. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.8. **Keystone** will cover the **Insured** for **Damage** or **Theft** occurring during the **Period of Insurance** to **Stock** that is securely affixed outside of the building occupied by the **Insured**.
- 11.9. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Directors' and Employees' Tools-of-Trade and Personal Effects

- 11.10. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.11. **Keystone** will pay for **Damage** or **Theft** of directors' and **Employees'** tools of trade, personal effects and **Money**.
- 11.12. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Employee Dishonesty

- 11.13. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.14. **Keystone** will cover the **Insured** for any loss of **Stock**, **Contents** and **Money** belonging to the **Insured** or for which the **Insured** is legally liable where such loss is sustained in consequence of any **Fraudulent Act** by an **Employee**, provided that:

- 11.14.1. such loss is discovered by the **Insured** during the **Period of Insurance** and is notified in writing to **Keystone** within the **Period of Insurance** and within twenty-eight (28) days of the date of discovery; and
 - 11.14.2. there is no cover for any further losses suffered by the **Insured** after the **Insured** has become aware of any loss or any **Fraudulent Act**, or the date upon which a reasonable person would have had cause for suspicion of any loss or any **Fraudulent Act**; and
 - 11.14.3. there is no cover for any loss arising from the conduct of an **Employee** outside Australia; or
 - 11.14.4. there is no cover for any loss where the **Insured** is unable to identify which **Employee** is responsible; or
 - 11.14.5. there is no cover for any loss or part of a loss arising from the conduct of an **Employee**, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stocktake or a profit and loss calculation; or
 - 11.14.6. there is no cover for fraud or dishonesty committed by an **Insured's Family**; or
 - 11.14.7. there is no cover for fraud or dishonesty committed by any of the **Insured's Employees** committed with the **Insured's** connivance; or
 - 11.14.8. there is no cover for fraud or dishonesty committed by an **Employee** that has been employed by the **Insured** for less than twelve consecutive months unless a police check confirming no previous convictions was conducted by the **Insured** prior to the **Employee** being employed by the **Insured**; or
 - 11.14.9. the **Insured** shall, at its own cost and expense, provide such documentation and information as is, in **Keystone's** opinion, necessary to substantiate the existence of and the amount of any such loss; and
 - 11.14.10. a series of related, repeated or continuous **Fraudulent Acts** of any one **Employee** or group of **Employees** acting in collusion shall be treated as giving risk to a single loss for the purpose of applying the **Excess** for this Optional Extension; and
 - 11.14.11. for the purpose of this Optional Extension the definition of **Employee** does not include any director or **Principal** of the named **Insured** nor any individual who owns or has a beneficial or economic interest in more than 5% of the issued shares or net assets of the named **Insured**.
- 11.15. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Entrustments in Trade – Jewellery and Valuables

- 11.16. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.17. **Keystone** will pay for **Damage** or **Theft** of **Jewellery and Valuables** whilst entrusted to dealers, customers in the trade, repairers, cutters and brokers.
- 11.18. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Entrustments to Photographers – Jewellery and Valuables

- 11.19. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.20. **Keystone** will pay for **Damage** or **Theft** of **Jewellery and Valuables** whilst entrusted to photographers within Australia for the purpose of promoting the **Business**.
- 11.21. **Keystone** will not pay for **Damage** or **Theft** of **Jewellery and Valuables** unless, whilst the **Jewellery and Valuables** are not being worn or are not attended under the close personal

supervision and reach of the person entrusted with the **Jewellery and Valuables**, the **Jewellery and Valuables** are placed in a locked **Safe** or **Strongroom**.

- 11.22.** **Keystone** will not pay for **Theft** committed by any person to whom the **Jewellery and Valuables** has been entrusted by the **Insured**.
- 11.23.** **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Fusion and Machinery Breakdown

- 11.24.** This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.25.** **Keystone** will pay for loss or damage to any part or parts of the **Insured's** machinery caused by the sudden and accidental failure of machinery resulting in physical damage to the machinery which requires the repair or replacement of the machinery, or a part of the machinery.
- 11.26.** **Keystone** will not pay for:
- 11.26.1.** any costs incurred in repairing wear and tear, or gradual deterioration; or
 - 11.26.2.** the replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting; or
 - 11.26.3.** the repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from insured damage; or
 - 11.26.4.** the repair of a slowly developing deformation, distortion, or fatigue of any part; or
 - 11.26.5.** any breakdown of machinery which the **Insured** knew or reasonably should have known to be defective before the breakdown occurred; or
 - 11.26.6.** any loss of use or consequential loss of any kind; or
 - 11.26.7.** any loss or damage caused during the course of maintenance, inspection, repair, alteration, modification or overhaul; or
 - 11.26.8.** any loss or damage caused by a deliberate act, neglect or omission by the **Insured**; or
 - 11.26.9.** any cost of alterations, improvements or overhauls unless it is required for the repair or replacement.
- 11.27.** If **Keystone** replace machinery rather than repairing it, **Keystone** will apply depreciation based on the age of the machinery. **Keystone** will apply depreciation at the rate of 10% per annum for each year from the date of manufacture, subject to a maximum reduction of 60% of the item's current replacement cost.
- 11.28.** **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Home Risk – Jewellery and Valuables

- 11.29.** This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.30.** **Keystone** will pay for **Damage** or **Theft** of **Jewellery and Valuables** whilst stored in the homes of the **Insured** or their **Employees**.
- 11.31.** **Keystone** will not pay for **Theft** of any **Jewellery and Valuables** unless such items are stored in a locked **Safe** or **Strongroom**.
- 11.32.** **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Media Loans – Jewellery and Valuables

- 11.33. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.34. **Keystone** will pay for **Damage** or **Theft** of **Jewellery and Valuables** whilst entrusted to the media within Australia including, but not limited to, magazine publishers and television companies and also wearing by celebrities at presentation nights and awards ceremonies for the purpose of promoting the **Business**.
- 11.35. **Keystone** will not pay for **Theft** of **Jewellery and Valuables** unless, whilst the **Jewellery and Valuables** are not being worn or are not attended under the close personal supervision and reach of the person entrusted with the **Jewellery and Valuables**, the **Jewellery and Valuables** are kept in a secured, locked **Safe** or **Strongroom** at all times.
- 11.36. **Keystone** will not pay for **Theft** committed by any person to whom **Jewellery and Valuables** has been entrusted by the **Insured**.
- 11.37. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Processing Risk/Workmanship – Jewellery and Valuables

- 11.38. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.39. **Keystone** will pay for damage to **Customers' Goods** that are **Jewellery and Valuables** whilst they are being made, cleaned, repaired, refinished, dyed, altered, restored, renovated, retouched, or any similar process and is damage directly resulting therefrom.
- 11.40. **Keystone** will pay up to the amount shown in the **Schedule** for any one **Event**.

Replacement of Locks and Keys

- 11.41. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.
- 11.42. **Keystone** will pay the reasonable cost of replacing locks, keys, magnetic keys, cards or similar devices and combinations used in the **Business** if:
- 11.42.1. as a result of **Theft** covered under *Cover 2 – Theft* or *Cover 3 - Money*, keys or combinations are stolen or there are reasonable grounds to believe that keys have been duplicated; or
 - 11.42.2. keys, magnetic keys or cards or similar devices are accidentally lost; or
 - 11.42.3. the sequence of numbers or letters become known by any unauthorised person or are accidentally lost; or
 - 11.42.4. circumstances have allowed the unauthorised duplication of keys, magnetic keys, cards or similar devices.
- 11.43. **Keystone** will also pay the reasonable cost of:
- 11.43.1. Opening a **Safe** or **Strongroom** because of the theft of or loss of keys or combinations during a theft; or
 - 11.43.2. replacing and developing security film exposed because of **Theft**; or
 - 11.43.3. restoring the security system to its former functionality following a **Theft** that is covered by *Cover 2 – Theft* or *Cover 3 – Money*.

Stock Away from Premises

- 11.44. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

11.45. Keystone will pay for **Damage** or **Theft** of **Stock** whilst away from the **Premises**, but within Australia.

11.46. Keystone will pay up to the amount shown in the **Schedule** for any one **Event**.

Wearing Risk – Jewellery and Valuables

11.47. This Optional Extension only forms part of this **Policy** when specified as Covered in the **Schedule** and is limited to the **Period of Insurance** indicated.

11.48. Keystone will pay for **Damage** or **Theft** of **Jewellery and Valuables** being worn or used by the **Insured, Employees, Family**, relatives or friends, or whilst in their custody for this purpose.

11.49. Keystone will not pay for **Theft** committed by any person to whom **Jewellery and Valuables** has been entrusted by the **Insured**.

11.50. Keystone will pay up to the amount shown in the **Schedule** for any one **Event**.

12. Exclusions

The following Exclusions apply to all Covers, Automatic Extensions and Optional Extensions of this **Policy** unless expressly stated otherwise.

Keystone will not cover the **Insured** for:

Confiscation

12.1. confiscation, nationalisation, requisition or destruction of or damage to any **Stock** and **Contents** by or under the order of any government, public or local authority.

Consequential Loss

12.2. loss of use, loss of earning capacity and any other **Consequential Loss**.

Contents Away from Premises

12.3. **Damage** or **Theft** of **Contents** whilst away from the **Premises** unless the Optional Extension *11.1-11.3 Contents Away from Premises* is specified as Covered in the **Schedule**.

Courier Transit – Artwork and Collectibles

12.4. **Damage** or **Theft** of **Artwork and Collectibles** whilst in transit with a courier unless Cover Six – Sendings and Transit clauses *8.1-8.5 Courier Transit – Artwork and Collectibles* is specified as Covered in the **Schedule**.

Criminal Acts

12.5. any criminal or illegal activity by the **Insured**.

Cyber Attack

12.6. any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system used as a means for inflicting harm. It is understood and agreed that this Exclusion shall not apply to an otherwise covered physical loss or damage to **Stock** and **Contents** directly caused by **Theft** or other criminal undertaking, if a computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system is used in the commission of the act(s) of **Theft** or other criminal undertaking.

Damage to Premises by Thieves

12.7. damage to fixtures and fittings of the **Insured's** unless the Optional Extension *11.4-11.6 Damage to Premises by Thieves* is specified as Covered in the **Schedule**.

Damage or Theft of External Stock (Open Air)

- 12.8. **Damage** or **Theft** to **Stock** outside of the building occupied by the **Insured** unless the Optional Extension *11.7-11.9 Damage or Theft of External Stock (Open Air)* is specified as Covered in the **Schedule**.

Directors' and Employees' Tools-of-Trade and Personal Effects

- 12.9. **Damage** or **Theft** of directors and **Employees** tools of trade, personal effects and **Money** unless the Optional Extension *11.10-11.12 Directors' and Employees' Tools-of-Trade and Personal Effects* is specified as Covered in the **Schedule**.

Electronic Data

- 12.10. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **Electronic Data**; or
- 12.11. error in creating, amending, entering, deleting or using **Electronic Data**; or
- 12.12. total or partial inability or failure to receive, send, access or use **Electronic Data** for any time or at all from any cause whatsoever, regardless of any other contributing cause or **Event** whenever it may occur.

Where an event listed below (being an event covered in *Cover 1 - Property Damage* or *Cover 2 – Theft*) of this **Policy**, except for this Exclusion) is caused by any of the matters described in *clauses 12.10-12.12* above, this **Policy**, subject to all its provisions, will cover:

- 12.13. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **Electronic Data**; or
- 12.14. error in creating, amending, entering, deleting or using **Electronic Data**.

This Exclusion does not apply to:

- 12.15. an event listed below caused by any of the matters described in *clauses 12.10-12.12* above:
- 12.15.1. fire; or
 - 12.15.2. lightning or thunderbolt; or
 - 12.15.3. explosion or implosion; or
 - 12.15.4. storm and wind; or
 - 12.15.5. water damage; or
 - 12.15.6. impact; or
 - 12.15.7. earthquake, including tsunami, subterranean fire, volcanic eruption or fire resulting from any of these; or
 - 12.15.8. flood; or
 - 12.15.9. **Theft** of **Electronic Data** solely where such **Theft** is accompanied by **Theft** of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such **Electronic Data**.

Employee Dishonesty

- 12.16. loss of **Stock**, **Contents** and **Money** belonging to the **Insured** or for which the **Insured** is legally liable where such loss is sustained in consequence of any **Fraudulent Act** by an **Employee**, unless the Optional Extension *11.13-11.15 Employee Dishonesty* is specified as Covered in the **Schedule**.

Entrustments in Trade – Jewellery and Valuables

- 12.17. **Damage** or **Theft** of **Jewellery and Valuables** whilst entrusted to dealers, customers in the trade, repairers, cutters and brokers unless the Optional Extension *11.16-11.18 Entrustments in Trade – Jewellery and Valuables* is specified as Covered in the **Schedule**.

Entrustments to Photographers – Jewellery and Valuables

12.18. Damage or Theft of Jewellery and Valuables whilst entrusted to photographers unless the Optional Extension *11.19-11.23 Entrustments to Photographers – Jeweller and Valuables* is specified as Covered in the **Schedule**.

Exhibitions/Shows – Artwork and Collectibles

12.19. Damage or Theft of Artwork and Collectibles of every kind whilst on display at a public exhibition or show unless Cover Seven – Exhibitions and Shows clauses *9.1-9.3 Exhibitions/Shows – Artwork and Collectibles* are specified as Covered in the **Schedule**.

Exhibitions/Shows – Jewellery and Valuables

12.20. Damage or Theft of Jewellery and Valuables whilst on display at a public exhibition or show unless Cover Seven – Exhibitions and Shows clauses *9.4-9.6 Exhibitions/Shows – Jewellery and Valuable* are specified as Covered in the **Schedule**.

Fusion and Machinery Breakdown

12.21. loss or damage to any part or parts of the Insured's machinery caused by the sudden and accidental failure of machinery resulting in physical damage to the machinery which requires the repair or replacement of the machinery or a part of the machinery unless the Optional Extension *11.24-11.28 Fusion and Machinery Breakdown* is specified as Covered in the **Schedule**.

Geographical Limitations

12.22. Stock and Contents that is outside Australia at the time of its **Damage or Theft**:

12.22.1. except as specifically stated otherwise in the appropriate Cover; or

12.22.2. unless **Keystone** agree in writing to the contrary.

Home Risk – Jewellery and Valuables

12.23. Damage or Theft of Jewellery and Valuables whilst kept in the homes of the Insured or their **Employees** or representatives unless Optional Extension *11.29-11.32 Home Risk – Jewellery and Valuables* is specified as Covered in the **Schedule**.

Intentional Acts

12.24. intentional acts by an **Insured** or another party committed with the **Insured's** knowledge and consent and which an **Insured** can prevent.

Invalid Payments

12.25. acceptance by the **Insured** of any currency which subsequently is proved to have been forged, counterfeit or otherwise for any reason whatsoever; or

12.26. acceptance by the **Insured** of any cheque, credit or charge card, or other negotiable instrument which is subsequently dishonoured for payment; or

12.27. acceptance by the **Insured** of any other form of payment which is invalid or uncollectable for any reason whatsoever.

Keys and Duplicate Keys Removed from Premises

12.28. loss caused by any keys or duplicate keys that are capable of operating the alarms or **Safe or Strongroom**, not being removed from the **Premises** when the said **Premises** are not open for business. However, for this Exclusion, **Premises** shall not include any portion occupied for residential purposes by the **Insured** or any of their **Employees**.

Known Defects

12.29. loss caused by faults or defects known to an **Insured** or any **Employee** whose knowledge in law would be deemed to be the **Insured's** and not disclosed to **Keystone** at the time this insurance was arranged.

Media Loans – Jewellery and Valuables

12.30. Damage or Theft of Jewellery and Valuables whilst entrusted to the media including but not limited to magazine publishers and television companies and also wearing by celebrities at presentation nights and awards ceremonies unless the Optional Extension *11.33-11.37 Media Loans – Jewellery and Valuables* is specified as Covered in the **Schedule**.

Mysterious Disappearance or Unexplained Loss

12.31. disappearance of **Stock** and **Contents** that cannot be explained or attributed to a specific cause or event.

Non-Compliance

12.32. an **Insured's** failure to take reasonable precautions to comply with any relevant statutory obligations, by-laws, regulations, public authority requirements or safety requirements.

Personal Transit - Artwork and Collectibles

12.33. Damage or Theft of Artwork and Collectibles whilst it is in transit from one place to another by the **Insured, Employees**, agents or anyone else to whom the **Artwork and Collectibles** are entrusted, unless Cover Six – Sendings and Transit clauses *8.6-8.8 Personal Transit – Artwork and Collectibles* is specified as Covered in the **Schedule**.

Personal Transit – Jewellery and Valuables

12.34. Damage or Theft of Jewellery and Valuables whilst it is in transit from one place to another by the **Insured, Employees**, agents or anyone else to whom the **Jewellery and Valuables** are entrusted unless Cover Six – Sendings and Transit clauses *8.9-8.11 Personal Transit – Jewellery and Valuables* is specified as Covered in the **Schedule**.

Processing/Workmanship Risk

12.35. damage to **Customers' Goods** whilst making, cleaning, repairing, refinishing, dyeing, altering, restoring, renovating, reframing, retouching, or any similar process unless the Optional Extension *11.38-11.40 Processing Risk/Workmanship – Jewellery and Valuables* is specified as Covered in the **Schedule**. For the avoidance of doubt the Optional Extension *11.38-11.40 Processing Risk/Workmanship – Jewellery and Valuables* only provides cover for **Jewellery and Valuables**.

Professional Transit – Artwork and Collectibles

12.36. Damage or Theft of Artwork and Collectibles whilst in transit with a professional fine art carrier unless Cover Six – Sendings and Transit clauses *8.12-8.16 Professional Transit – Artwork and Collectibles* is specified as Covered in the **Schedule**.

Protections Maintenance

12.37. any physical and electrical protections (including security and fire alarms) notified to **Keystone**, not being engaged and fully operational whenever the **Situation** is left unattended.

12.38. any failure to test and use security and fire alarms as specified by the manufacturers specifications (including checking the battery, alarm detection coverage and transmission to the monitoring station) if the **Insured** own or have responsibility for operating and maintaining such, including security and fire alarms for the purposes of the **Business**.

Radioactivity

12.39. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or from the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Replacement of Locks and Keys

12.40. the cost of replacing locks, keys, magnetic keys, cards or similar devices and combinations used in the **Business** unless the Optional Extension *11.41-11.43 Replacement of Locks and Keys* is specified as Covered in the **Schedule**.

Safe Custody/ Inwards Entrustments

12.41. goods entrusted to the **Insured** by private clients and/or customers solely for safe custody.

Sendings – Jewellery and Valuables

12.42. **Damage** or **Theft** of **Jewellery and Valuables** whilst in transit in unless Cover Six – Sendings and Transit clauses 8.17-8.21 *Sendings – Jewellery and Valuables* is specified as Covered in the **Schedule**.

Stock and Contents Missing at Stocktake/Not Recorded

12.43. any **Stock** and **Contents**:

12.43.1. discovered as missing or in shortage during a stocktake; or

12.43.2. that has not been entered in the **Insured's Stock** records.

Stock Away from Premises

12.44. **Damage** or **Theft** of **Stock** whilst away from the **Premises** unless the Optional Extension 11.44-11.46 *Stock Away from Premises* is specified as Covered in the **Schedule**.

Terrorism

12.45. loss caused by any act of **Terrorism**, or any action taken in controlling, preventing, suppressing or in any way relating to an act of **Terrorism**.

This Exclusion does not apply to **Theft**, **Money** or **Glass**.

Unattended Vehicle

12.46. **Theft** of **Stock** and **Money** from an unattended **Vehicle**.

Un-occupancy

12.47. **Damage** or **Theft** of the **Insured's Stock** and **Contents** if the occurrence happens after the **Insured's Premises** has been unoccupied for more than 90 consecutive days, unless **Keystone** otherwise agree in writing.

This Exclusion does not apply to **Damage** caused by:

12.47.1. lightning, earthquake, volcanic eruption, tsunami and subterranean fire; or

12.47.2. impact by road **Vehicle** or their loads, **Animals**, trees or branches, meteorite, **Aircraft** or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof which do not belong to the **Insured**; or

12.47.3. riots, civil commotions and strikes.

This Exclusion will not apply if the **Premises** are partly occupied.

War

12.48. loss caused by war, invasion, acts of foreign enemies, hostilities (whether war has been declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by, or under the order of, any government or public or local authority. However, this exclusion does not apply to transits by sea or air if cover is provided under an Optional Extension as specified in the **Schedule**.

Wearing Risk – Jewellery and Valuables

12.49. **Damage** or **Theft** of **Jewellery and Valuables** being worn or used by the **Insured**, **Employee**, **Family**, relatives or friends or whilst in their custody for this purpose unless the Optional Extension 11.47-11.50 *Wearing Risk – Jewellery and Valuables* is specified as Covered in the **Schedule**.

12.50. **Keystone** will not make any payments under this **Policy**:

Sanctions

12.50.1. that would be in contravention of any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

13. Claims Conditions

The following Claims Conditions apply to enable **Keystone** to process a claim under any Cover, Automatic Extension and Optional Extension of this Policy.

Accountancy Records

13.1. The **Insured** must provide to **Keystone** all books of account, business books and other documents as may be required to investigate or verify claims. If the **Insured** does not, **Keystone** may refuse to pay, or may reduce the amount of a claim.

Carriers and Bailees

13.2. The **Insured** must take steps to recover a loss from a carrier or bailee if **Stock** and **Contents** is **Damaged** or **Stolen** while in the custody of that carrier or bailee, before making a claim under this **Policy**. This **Policy** will only cover the **Insured** to the extent of any loss that the **Insured** cannot recover from the carrier or bailee.

Claims Settlement

13.3. The **Insured** must tell **Keystone** of the **Insured's** entitlement to input tax credits for the **Insured's** insurance **Premium** if the **Insured** is registered, or should be registered for GST purposes, if any **Event** occurs which gives or may give rise to a claim. **Keystone** will not cover the **Insured** for any resulting fines, penalties or tax charges if the information the **Insured** give **Keystone** is incorrect.

13.4. Any cash payments made to the **Insured** under this **Policy** will be based on costs including GST. However, if the **Insured** are, or would be, entitled to claim any input tax credits for the repair or replacement of the **Stock** and **Contents** or for other things insured by this **Policy**, **Keystone** will reduce **Keystone's** payment to the **Insured** by the amount of the **Insured's** input tax credit entitlement.

13.5. The future conduct of a claim becomes the **Insured's** responsibility if, at any time, **Keystone** pay the **Insured** the **Sum Insured** for any claim under this **Policy**. **Keystone** may also pay any Automatic Extensions or Optional Extensions that are in addition to the **Sum Insured**.

Conduct of Claims

13.6. **Keystone** may appoint legal or other representatives to assist in the conduct of a claim.

13.7. **Keystone** shall have the right and full discretion to conduct claims.

13.8. **Keystone** reserve the right to negotiate and settle any claim on terms **Keystone** consider appropriate.

Co-operation and Mitigation

13.9. The **Insured** must give **Keystone** such information and assistance as **Keystone** consider necessary to:

13.9.1. determine an appropriate course of action in relation to any claim; and

13.9.2. identify any parties that the **Insured** may have rights against relating to any claim.

13.10. The **Insured** must take all reasonable steps to avoid, minimise or mitigate any loss or damage that is or may be the subject of a claim.

13.11. Compliance with this Claims Condition will be at the **Insured's** own expense.

Excess

13.12. All claims for loss, damage or expense resulting from any one occurrence or series of occurrences arising out of one event, shall be adjusted as one claim, and the **Excess** shall be deducted from such adjusted claim.

13.13. Each claim for loss or damage separately occurring shall be adjusted separately, and from the amount of such claim the **Excess** shall be deducted.

Foreign Currency

13.14. Any payments made, or costs and expenses incurred in a currency other than Australian dollars shall be converted to and paid in Australian dollars based upon the rate of exchange published by the Reserve Bank of Australia on the date that the payments were made or costs and expenses were incurred, or the preceding date should they be incurred on a weekend or public holiday.

Not Authorise the Repair or Replacement

13.15. The **Insured** must not authorise the repair or replacement of anything without **Keystone's** agreement.

13.16. **Keystone** give the **Insured** authority to arrange emergency repairs on **Keystone's** behalf where the **Insured** is required to prevent further **Damage** or **Theft** to the **Insured's** property as a direct result of an emergency and the property is covered by this **Policy**.

Notify Claim

13.17. The **Insured** must:

13.17.1. notify the police immediately following a **Theft**; and

13.17.2. notify **Keystone** as soon as possible giving **Keystone** all the known details of the event including the police event number if available; and

13.17.3. submit to examination under oath if **Keystone** so require.

Keystone's Rights of Possession

13.18. **Keystone**, **Keystone's** employees or **Keystone's** agents have the right to enter any building or area where **Damage** or **Theft** has occurred and take possession of **Stock** and **Contents** or require the **Stock** and **Contents** to be delivered to **Keystone**.

Progress Payments

13.19. **Keystone** will make progress payments on claims at intervals to be agreed by **Keystone** following receipt of an interim report from **Keystone's** loss adjuster or representative. **Keystone** will not unreasonably withhold progress payments.

Proof of Fraud or Dishonesty

13.20. The **Insured** must supply **Keystone** with all records and documents that may assist **Keystone** in substantiating and investigating any **Fraudulent Act** and the **Insured's** rights of recovery in the event of a claim. This includes but is not limited to all records (including computer, electronic and accounting records), video and audio recordings, working papers, internal memoranda, police reports, accounting records and audit documents.

Retain All Damaged Property

13.21. The **Insured** must:

13.21.1. retain and preserve all damaged property for **Keystone's** inspection prior to authorisation of repairs unless alterations and repairs are immediately necessary for safety reasons or to minimise or prevent further loss, damage or injury. If repairs are necessarily carried out without **Keystone's** prior approval, the **Insured** are still required where reasonably practical, to retain and preserve all damaged property for **Keystone's** inspection; and

13.21.2. use the **Insured's** best endeavours to preserve all property, products, plant and all other things that may assist **Keystone** in investigating a claim, including assisting in determining if there are rights of recovery against another entity or person.

Recovered Property

13.22. **Keystone** will notify the **Insured** of the recovery and the **Insured** will have 60 days from the date of such notice to exercise the **Insured's** right to purchase.

Records Clause

13.23. The **Insured** must maintain an accurate and itemised inventory of all **Stock** and **Contents** covered by this **Policy**. In the event that information provided does not satisfactorily substantiate the quantum claimed, **Keystone** shall be liable only for the amount of claim accounted for. Any settlement beyond this figure shall be solely at the discretion of **Keystone**.

Recoveries

13.24. Recoveries (whether effected by **Keystone** or by an **Insured**), less the cost of recovery, shall be distributed as follows:

13.24.1. first, to the **Insured** for the amount of loss otherwise covered but in excess of the **Sum Insured**, less any applicable **Excess**; and

13.24.2. second, to **Keystone** for the amount paid to the **Insured** for covered losses; and

13.24.3. third, to the **Insured** for the applicable **Excess**.

13.25. The **Insured** will have the right of first refusal to purchase from **Keystone** any **Stock** and **Contents** recovered for which the full value has been paid in settlement of a claim at the lesser of:

13.25.1. the amount of the settled claim plus interest from the date of settlement at a relevant prevailing bank base rate plus loss adjustment and recovery expenses; or

13.25.2. the fair market value at the time of recovery.

14. General Conditions

The following General Conditions apply to all Covers, Automatic Extensions and Optional Extensions of this **Policy** unless expressly stated otherwise. Breach of a condition or warranty without the **Insured's** knowledge or consent, or error in name, description, or situation of property will not prejudice the **Insured's** rights under this **Policy** provided notice in writing is given to **Keystone** when such breach or error comes to the **Insured's** knowledge. Reasonable extra premium shall be paid if required, from the date of such breach or error.

Acquisition of Companies

- 14.1. **Keystone** will provide cover for a company or companies acquired by the **Insured** where the business is of a similar occupation to that stated in the **Schedule** subject to the **Insured's** acceptance of **Keystone's** terms, undertaking to pay any additional premium required by **Keystone**, and provided that the **Insured** notifies **Keystone** in writing within 30 days of the acquisition of:
- 14.1.1. any company or other legal entity acquired during the **Period of Insurance**; or
 - 14.1.2. any property associated with such company or any other legal entity or business undertaking or operation.
- 14.2. **Keystone's** liability shall not exceed the **Sum Insured** or sub-limit applicable under the relevant Covers making up this **Policy** for each **Stock** and **Contents**.

Assignment

- 14.3. This **Policy** cannot be assigned by the **Insured**.

Authorisation

- 14.4. The **Principal Insured** is the agent for each **Insured** and each **Insured** is bound by any statement, act or omission of the **Principal Insured** for all purposes under this **Policy**.

Cancellation

- 14.5. **Keystone** may only cancel this **Policy** pursuant to the *Insurance Contracts Act 1984 (Cth)*.
- 14.6. The **Principal Insured** may cancel this **Policy** at any time by giving written notice to **Keystone**.
- 14.7. **Keystone** may retain the pro rata proportion of the **Premium**. Note that in the event of the notification of a claim which is covered under this **Policy**, the **Premium** shall be regarded as fully earned and may be retained by **Keystone**.

Consideration

- 14.8. The cover provided by **Keystone** under this **Policy** is in consideration of the payment of the **Premium**.
- 14.9. The **Insured** must pay the **Premium** specified in the **Schedule** for the **Period of Insurance** to **Keystone** by the due date. The due date is on or before thirty (30) days after the inception date of the **Period of Insurance** or such other time that **Keystone** agrees in writing. If the **Insured** fails to pay the **Premium** by the due date, **Keystone** is entitled to cancel this **Policy** in accordance with the *Insurance Contracts Act 1984 (Cth)*.

Construction and Interpretation

- 14.10. Paragraph titles used in this **Policy** are included for descriptive purposes only and do not form part of this **Policy** for the purposes of its construction or interpretation.
- 14.11. Words denoting the singular include the plural and vice versa except where the context otherwise requires.

Designation of Property

- 14.12. **Keystone** agree to accept the designation under which any property appears in the **Insured's** books of account to determine under which item any property is insured.

Due Diligence

- 14.13. The **Insured** must exercise due diligence in doing all things to avoid or reduce any loss under this **Policy**.

Endorsements

- 14.14. An **Endorsement** does not affect or increase the **Sum Insured** or any other term, except to the extent specifically provided in the **Endorsement**. For the avoidance of doubt, each **Endorsement** is otherwise subject to all the terms of this **Policy**.

Enforceability

- 14.15. This **Policy** must have a **Schedule** attached to it which has been signed by an authorised officer of **Keystone** to be enforceable.

Excess

- 14.16. The **Insured** must pay the **Excess** that applies to claims under this **Policy**. The **Excess** that applies will depend on the circumstances of the claim. The amount of the **Excess** and the circumstances that each **Excess** applies to are shown on the **Schedule** or set out in the applicable Cover. **Keystone** will tell the **Insured** how to pay the **Excess** and to whom to pay it.
- 14.17. **Excess** shall not be aggregated and only the highest single **Excess** shall apply should more than one **Excess** apply for any claim made under any part of this **Policy**.
- 14.18. The **Sum Insured** and sub-limits shall apply in addition to, and shall not be reduced by, the amount of any applicable **Excess**.
- 14.19. Only one **Excess** will apply to all damage resulting from earthquake, subterranean fire, volcanic eruption, bushfire, storm, hail or rainwater that is continuous, due to the same general conditions, and occurs within a 72-hour period from the first happening of damage.
- 14.20. **Keystone** shall be liable only for **Loss** which exceeds the **Excess**.
- 14.21. The **Excess** is to be borne by the **Insured** and shall remain uninsured.
- 14.22. The **Insured** shall, within seven (7) working days of receipt of **Keystone's** written request, reimburse **Keystone** for a payment where **Keystone** have elected to pay all or part of the **Excess** in respect of any **Claim**.

Fraud

- 14.23. The **Policy** may become void and the claim hereunder forfeited, or **Keystone's** liability in respect of such claim may be reduced, subject to the provisions of the *Insurance Contracts Act 1984*, if the **Insured** makes a claim knowing the same to be false or fraudulent, as regards amount or otherwise.

Goods and Services Tax (GST)

- 14.24. **Keystone** will charge the **Insured** an amount for GST as part of the **Premium**. The **Insured** must inform **Keystone** of the extent to which there is an entitlement to an input tax credit for that GST amount each time it notifies a claim under this **Policy**. No payment will be made to the **Insured** for any GST liability that it may incur on the settlement of a claim if it does not inform **Keystone** of its entitlement or correct entitlement to an input tax credit. Despite the other terms of this **Policy**, **Keystone's** liability to the **Insured** will be calculated considering any input tax credit to which the **Insured** is entitled for any acquisition which is relevant to the claim, or to which it would have been entitled had it made a relevant acquisition. 'GST', 'input tax credit', 'acquisition' and 'supply' have the meaning given in *A New Tax System (Goods and Services Tax) Act 1999*.

Governing Law

- 14.25. This **Policy** will be governed in accordance with the law of the State or Territory of Australia in which this **Policy** was issued. Any disputes relating to interpretation will be submitted to the exclusive jurisdiction of the courts of Australia.

Inspections

- 14.26. **Keystone** (or agents appointed by **Keystone**) have the right to inspect and examine, by mutual appointment, any **Stock** and **Contents**.

Insurable Interest

- 14.27. **Keystone** will not pay for any loss or damage to any **Stock** and **Contents** unless the **Insured** has an insurable interest in the **Stock** and **Contents** at the time of the loss. **Keystone** will not pay more than the amount of the **Insured's** interest up to the value that applies to **Stock** and **Contents** as detailed in the Basis of Settlement if more than one person has an insurable interest.

Insurance Contracts Act 1984

- 14.28. This **Policy** is governed by, and **Keystone** will act in accordance with, the *Insurance Contracts Act 1984* (Cth).

Material Change

- 14.29. The **Insured** must notify **Keystone** as soon as reasonably practicable of any material change in the risk insured by this **Policy**. **Keystone** is entitled to amend the terms of this **Policy** and/or charge an additional **Premium** based on **Keystone's** assessment of any change in the risk covered by this **Policy**. A material change in the risk includes, without limitation:
- 14.29.1. activities that are materially different from those declared in the **Proposal**; or
 - 14.29.2. activities outside the normal activities of the **Business**; or
 - 14.29.3. any loss of, or conditions imposed upon, any licence or other authority required by the **Insured** to conduct the **Business**.
- 14.30. **Keystone** may at its election, instead of cancelling or avoiding this **Policy**, give notice in writing to the **Insured** that any claim which has arisen or may arise which is related to such facts, activities or circumstances shall be excluded from indemnity under this **Policy** in the event of **Keystone** being at any time entitled to cancel or avoid this **Policy** because of the **Insured** failing to give notice in accordance with General Condition 14.30.

Maximum Sum Insured

- 14.31. The maximum amount **Keystone** will pay will not exceed the amount stated in the **Schedule** as the **Sum Insured** for those Covers selected, except as stated elsewhere in this **Policy**.
- 14.32. The **Sum Insured** shall apply in addition to, and shall not be reduced by, the amount of any applicable **Excess**.

Other Insurance

- 14.33. The **Insured** shall promptly give to **Keystone** full details of such other insurance, including the identity of the insurer, the policy number, and such further information as **Keystone** may reasonably require if at the time any claim arises under this **Policy**, there is any other insurance in force covering the same Cover.

Reasonable Care

- 14.34. The **Insured** must take reasonable precautions to prevent property damage as if the **Insured** were not covered by this **Policy** such as (but not limited to):
- 14.34.1. maintaining and looking after other person's or organisation's property and buildings used or occupied by the **Insured**, in accordance with the **Insured's** agreement with them; and
 - 14.34.2. complying with all laws and safety requirements imposed by any authority or by State or national legislation.
- 14.35. **Keystone** may refuse to pay part or all of the **Insured's** claim if the **Insured** do not take reasonable precautions.

Severability and Non-Imputation

- 14.36. Where this **Policy** covers more than one party, any failure on the part of any of the parties to:
- 14.36.1. comply with the duty of disclosure under the *Insurance Contracts Act 1984 (Cth)*; or
 - 14.36.2. comply with any obligation under this **Policy** (other than the obligation to pay **Premium**); or
 - 14.36.3. refrain from conduct which is dishonest, fraudulent, criminal or malicious,
- shall not prejudice the right of the remaining party or parties to cover under this **Policy**, provided that such remaining party or parties shall:
- 14.36.4. be entirely innocent of and have had no prior knowledge of any such failure; and
 - 14.36.5. as soon as practicable after becoming aware of any such failure, advise **Keystone** in writing of all its relevant circumstances.

Subrogation

- 14.37. **Keystone** will become subrogated to all rights and remedies that the **Insured** may have against any party in relation to a claim where it has been paid by **Keystone** under this **Policy**. The **Insured** must assist **Keystone** (including giving evidence at any civil hearing) and provide such information and documentation (including signed statements) as **Keystone** reasonably require in exercising such rights, at **Keystone's** request and without charge.

Variation of this Policy

- 14.38. No variation of this **Policy** will be effective, unless made by **Endorsement**.

Important Information

This Policy is issued by:

Keystone Underwriting Pty Ltd ABN 78 601 944 764 (Keystone)

Keystone Underwriting Pty Ltd is a Corporate Authorised Representative (No. 000468712) of:

Keystone Underwriting Australia Pty Ltd ABN 59 634 715 674 AFS License No: 518244

Who is the Insurer?

Certain Underwriters at Lloyd's ("Underwriters") will be providing the financial service. Keystone is authorised to quote, bind and issue Certificates of Insurance under a Binding Authority Agreement (Binder) granted to Keystone by those Underwriters. Keystone will provide details of the syndicate numbers and the proportions underwritten by them on request.

General Insurance Code of Practice

Lloyd's supports the General Insurance Code of Practice and its purpose of raising the standards of practice and service in the general insurance industry.

What makes up the Insurance Contract?

This contract of insurance is made up of the Schedule, this Policy and any Endorsements that Keystone issues when an application is accepted or an existing Policy is renewed or amended.

Significant Features, Benefits and Exclusions

This Policy provides many significant features and benefits, subject to Conditions and Exclusions. Exclusions apply to this Policy and all of them are important. It is important that this Policy is read carefully to be aware of and understand the extent of cover that it offers. It will give full details of the Exclusions.

Significant Risks

The Insured should make sure that the sum insured and the limits to be purchased will be sufficient. All the terms and conditions contained in this Policy need to be understood.

Alteration to Risk and Deregistration

This Policy requires an Insured to notify Keystone within thirty (30) days of any material change to the business, or in the event of insolvency or bankruptcy. This Policy requires an Insured to give immediate notice of the cancellation, suspension, termination or imposition of conditions in respect of an Insured's statutory registration. Claims arising from conduct which occurs subsequent to the cancellation, suspension or termination of the Insured's statutory registration, licence, certification or authorisation under any relevant legislation or industry code of practice governing the Insured's profession are excluded from indemnity under this Policy. However, this condition does not apply if the suspension relates purely to the late payment of registration fees.

Doctrine of Utmost Good Faith

Every insurance contract is subject to this doctrine which requires the parties to the contract to act toward each other with the utmost good faith. Failure to do so may prejudice any claims and/or the continuation of the insurance contract.

The Insured's Duty of Disclosure - (this applies to non-consumer insurance contracts only)*

The Insured has a duty to tell Keystone anything that the Insured knows, or could reasonably be expected to know, before entering an insurance contract, that may affect Keystone's decision to insure the Insured and on what terms. The Insured has this duty until Keystone agrees to insure the Insured.

The Insured has the same duty before the Insured renews, extends, varies, or reinstates an insurance contract.

The Insured does not need to tell Keystone anything that:

- reduces the risk for which the Insured is insured; or
- is common knowledge; or
- Keystone knows, or should know; or
- Keystone waives the Insured's duty to tell Keystone.

If the Insured does not tell Keystone

Keystone may if the Insured does not tell Keystone anything the Insured is required to tell:

- cancel the Insured's contract, or
- reduce the amount to be paid to the Insured if the Insured makes a claim, or
- both the above.

Keystone may refuse to pay a claim and treat the contract as if it never existed if the Insured's failure to tell Keystone is fraudulent.

Change of Circumstances

The terms and conditions of this Policy will be based on information the Insured provided to Keystone. It is essential Keystone are advised of any material change that occurs to this information prior to the inception of this Policy. Failure to do so by the Insured may prejudice any subsequent claims under the Policy and/or jeopardise the continuation of the insurance contract.

* From Schedule 1, Part 1 Insurance Contracts Regulations 2017. A "Consumer Insurance Contract" is a policy of insurance that is wholly or predominantly obtained for personal, domestic, or household purposes.

Buying Insurance

Set out below are important matters that apply to the initial enquiry, buying of insurance, and renewal of cover. Defined terms are the same as in the Policy.

Information that Keystone ask

Keystone will only ask for and consider relevant information when assessing the Insured's application for cover.

Assessing Applications

The Insured will have access to information that Keystone has relied on in assessing their application and an opportunity to correct any mistakes or inaccuracies. Keystone may decline to release information in special circumstances, but will not do so unreasonably. Keystone will give reasons in these circumstances, and the Insured will have the right to request Keystone to review the decision through Keystone's complaints handling procedures. Keystone will provide reasons in writing upon request.

Mistakes

Keystone will immediately initiate action to correct an error or mistake in assessing the Insured's application for cover where it is identified.

Misrepresentation

Keystone's sales process will be conducted in a fair, honest and transparent manner.

Declining Cover

If Keystone cannot provide insurance cover, Keystone will:

- (a) give reasons; and
- (b) refer the entity/person seeking insurance to another insurer, AFCA or NIBA, for information about alternative insurance options (unless they already have someone acting on their behalf).

Keystone will make available information about Keystone's complaints handling procedures if the entity/person is unhappy with Keystone's decision.

Policy Information

Information about Keystone's policy wordings will be available when the Insured buy insurance from Keystone as well as on request. They will also be available on Keystone's website at www.keystoneunderwriting.com.au.

Subrogation

The Insured may prejudice their rights regarding a claim if, without prior approval from Keystone, the Insured makes an agreement with a third party that would prevent Keystone from recovering any applicable loss (in whole or in part) from that, or another party.

This Policy contains provisions that have the effect of excluding or limiting Keystone's liability for a claim under this Policy if you have entered into any agreement that excludes, limits or delays the Insured's right to recover damages from another party in respect of such claim.

Cost of Policy

The cost of this Policy is made up of premium plus any applicable policy fees, government taxes and charges. Keystone may cancel this Policy if the Insured fails to pay the total premium due.

Deductibles

The Insured may be required to pay a deductible or excess if a claim is made under this Policy. Details of applicable deductibles or excess are provided in the Schedule. This Policy sets out the terms relating to the payment of deductibles or excesses.

Taxation

All taxes and charges are shown as separate items (e.g. fire and emergency services levy, stamp duty depending upon location and GST).

Cooling-off Period

The Insured has the right to cancel this Policy with Keystone within 14 days of the date that the Policy accepted, unless a claim is made. Keystone will refund the full amount of the premium less any duties or taxes payable if this cancellation occurs during the cooling-off period. This Policy will be terminated from the date Keystone receive the request to cancel.

Making a Claim

Benefits are payable if the Insured suffers a loss that is covered under this Policy during the Period of Insurance, except if an Exclusion or Condition applies. The Insured must immediately notify Keystone or their insurance adviser if there is a loss under this Policy.

Cancelling the Policy Before the Due Date

The Insured may cancel this Policy at any time by notifying us in writing, detailing the date that the cancellation will take effect. Keystone will refund any unearned premium to the Insured or their insurance adviser within 15 working days after the date of cancellation. Unearned premium will be computed pro rata for the unexpired term of this Policy, unless agreed in advance through the insurance adviser and set out in this Policy.

Privacy

Keystone are committed to safeguarding and protecting the Insured's privacy. Keystone is bound by the provisions of the *Privacy Act 1988* which sets out the standards to meet in the collection, use and disclosure of personal information.

The Act defines "personal information" as "information or an opinion about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion".

Purpose of Collection

Keystone will only use personal information the Insured provides to quote on and insure risks and matters incidental thereto, including investigating and managing claims.

It may be necessary for Keystone to provide the Insured's personal information to others, such as other insurers or reinsurers, claims investigators, lawyers and other professionals, and government bodies. Keystone will not under any circumstances trade, rent or sell the information.

Keystone cannot properly quote insurance and cannot insure the Insured if they do not provide Keystone with complete, accurate and up-to-date information. If the Insured provide Keystone with personal information about anyone else, Keystone will rely on the Insured to have told them that their information will be provided to Keystone, to whom Keystone may provide it, the purposes for which Keystone will use it and that they can access it. Keystone relies on the Insured to have obtained their consent on these matters if the information is sensitive.

Access to Information

The Insured can check the personal information Keystone holds about them at any time. Requests for access can be made in writing to:

The Privacy Officer
Keystone Underwriting Australia Pty Ltd
17/296 Bay Road
Cheltenham, VIC 3192

Keystone will keep the Insured informed of any delays in responding to the Insured's request throughout the process.

General Insurance Code of Practice

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice ("the Code"), which is a voluntary self-regulatory code. The Code aims to raise the standards of practice and service in the insurance industry.

Lloyd's has adopted the Code on terms agreed with the Insurance Council of Australia. For further information on the Code please visit www.codeofpractice.com.au.

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code. For more information on the Code Governance Committee (CGC) go to www.insurancecode.org.au.

Complaints and Disputes

If you have any concerns or wish to make a complaint in relation to this policy, our services or your insurance claim, please let us know and we will attempt to resolve your concerns in accordance with our Internal Dispute Resolution procedure. Please contact Keystone Underwriting Australia Pty Ltd in the first instance:

The Complaints Officer
Keystone Underwriting Australia Pty Ltd
17/296 Bay Road
Cheltenham, VIC 3192
Phone: 1300 946 530
Email: complaints@ksua.com.au

We will acknowledge receipt of your complaint and do our utmost to resolve the complaint to your satisfaction within 10 business days.

If we cannot resolve your complaint to your satisfaction, we will escalate your matter to Lloyd's Australia who will determine whether it will be reviewed by their office or the Lloyd's UK Complaints team. Lloyd's contact details are:

Lloyd's Australia Limited
Email: jdaustralia@lloyds.com
Telephone: (02) 8298 0783
Post: Suite 1603 Level 16, 1 Macquarie Place, Sydney NSW 2000

A final decision will be provided to you within 30 calendar days of the date on which you first made the complaint unless certain exceptions apply.

You may refer your complaint to the Australian Financial Complaints Authority (AFCA), if your complaint is not resolved to your satisfaction within 30 calendar days of the date on which you first made the complaint or at any time. AFCA can be contacted as follows:

Telephone: 1800 931 678
Email: info@afca.org.au
Post: GPO Box 3 Melbourne VIC 3001
Website: www.afca.org.au

Your complaint must be referred to AFCA within 2 years of the final decision, unless AFCA considers special circumstances apply. If your complaint is not eligible for consideration by AFCA, you may be referred to the Financial Ombudsman Service (UK) or you can seek independent legal advice. You can also access any other external dispute resolution or other options that may be available to you.

The Underwriters accepting this Insurance agree that:

- (i) if a dispute arises under this Insurance, this Insurance will be subject to Australian law and practice and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- (ii) any summons notice or process to be served upon the Underwriters may be served upon:
*Lloyd's Underwriters' General Representative in Australia
Suite 1603
Level 16
1 Macquarie Place
Sydney NSW 2000*
who has authority to accept service on the Underwriters' behalf;
- (iii) if a suit is instituted against any of the Underwriters, all Underwriters participating in this Insurance will abide by the final decision of such Court or any competent Appellate Court.

In the event of a claim arising under this Insurance immediate notice should be given to:

Claims Department - Keystone Underwriting Australia Pty Ltd
Telephone: 1300 946 530
Email: claims@ksua.com.au