

Classic Funding Group Pty Ltd

Leased Property Insurance Policy

Underwritten by

Chubb Insurance Australia Limited

ABN 23 001 642 020 AFSL No 239687

CHUBB®

Leased Property Policy Wording

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| <i>Policy Number</i> | 93179339 |
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| <i>Named Insured</i> | Classic Finance Pty Ltd (ABN 68 098 065 162) in its own right and by its agent Classic Funding Group Pty Ltd (ABN 84 057 766 551) |
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| <i>Registered Address</i> | Level 6, 146 Arthur Street, North Sydney NSW 2060 |
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| <i>Period of Insurance</i> | From: 1 st November 2016To: 12 months after commencement date 12:01 a.m. standard time at the Insured's Address as stated above. |
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Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in this policy. The words "we", "us" and "our" refer to Chubb Insurance Australia Limited (AFS License Number 239687)

The terms of this policy shall not be waived or changed, except by amendment issued to form a part of this policy

The Schedule(s) or Endorsement(s) attached to this policy shall not be valid unless countersigned by an authorised employee of the Company.



Signed for and on behalf of the Company

Leased Property Policy Wording

POLICY SCHEDULE

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| <i>Policy Limit</i> | A\$750,000 maximum any one loss per lease subject, however, to the sub-limits as stated hereinafter A\$2,500,000 maximum any one occurrence arising out of all insured leases |
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| <i>Minimum Loss Amount</i> | Materials Handling – A\$500 each and every loss All other items – A\$250 each and every loss |
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| <i>Maximum Lease Value</i> | A\$750,000 any one lease |
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| <i>Lease Term</i> | The leased property included in this insurance shall be all types, subject to the definition of leased property , described in the annual rate schedule provided that the initial lease term shall be subject to a: <ul style="list-style-type: none">• Minimum of 12 months• Maximum of 72 months |
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| <i>Limit of insurance</i> | Preparation of Loss Fees - A\$2,000 Unintentional Errors and Omission – A\$50,000 for any one period of insurance Repossessed Leased Property – A\$100,000 |
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Leased Property Policy Wording

General Product Information

This General Product Information (GPI) provides general information only, and should be read in conjunction with the attached Policy document (Policy). The GPI and Policy contain important information which you should read carefully before deciding to take out any insurance cover.

Policy Terms and Conditions

The information contained in this GPI is general information only and does not form part of your contract with us. The Policy is our legal contract with you and contains details covering the terms, conditions and any exclusions relating to the insurance cover to be provided by us. The GPI and the Policy are important documents so please keep them in a safe place for future reference. Should you require any further information about this or any other product, please contact your authorised financial services provider.

Important Relationships

Protecsure has a binding authority from the Insurer, Chubb Insurance Australia Limited ("Chubb") to provide equipment insurance and manage claims. Under this authority Chubb has appointed Protecsure as its agent, on terms that an insured who deals with Protecsure in relation to this insurance will have the same legal protection as if the insured had dealt directly with Chubb. Any equipment insurance arranged for you will be provided under a policy issued by Chubb.

Protecsure Pty Ltd
ABN 26 094 997 163 AFSL No 238815
Level 2, 151 Castlereagh Street, Sydney NSW 2000
Web: www.protecsure.com.au | Email
info@protecsure.com.au
Ph (02) 8251 6666 | Fax (02) 8088 8775

Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL No 239687
Level 38, 225 George Street, Sydney NSW 2000
Web: www.chubb.com/au
Ph. (02) 9335 3200 | Fax (02) 9335 3411

Duty of Disclosure

Your Duty of Disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

What you do not need to tell us

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Privacy

Privacy Statement

Chubb is committed to protecting your privacy. This document provides you with an overview of how we handle your personal information. Our Privacy Policy can be accessed on our website at www.chubb.com/au.

Personal Information Handling Practices

Collection, Use and Disclosure

We collect your personal information (which may include sensitive information) when you are applying for, changing or renewing an insurance policy with us or when we are processing a claim in order to help us properly administer your insurance proposal, policy or claim.

Personal information may be obtained by us directly from you or via a third party such as your insurance intermediary or employer (e.g. in the case of a group insurance policy).

When information is provided to us via a third party we use that information on the basis that you have consented or would reasonably expect us to collect your personal information in this way and we take reasonable steps to ensure that you have been made aware of how we handle your personal information.

The primary purpose for our collection and use of your personal information is to enable us to provide insurance services to you. Sometimes, we may use your personal information for our marketing campaigns, in relation to new products, services or information that may be of interest to you.

We may disclose the information we collect to third parties, including service providers engaged by us to carry out certain business activities on our behalf (such as assessors and call centres in Australia). In some circumstances, in order to provide our services to you, we may need to transfer personal information to other entities within the Chubb Group of companies (such as the regional head offices of Chubb located in Singapore, UK or USA), or third parties with whom we or those other Chubb Group entities have sub-contracted to provide a specific service for us, which may be located outside of Australia (such as in the Philippines or USA). Please note that no personal information is disclosed by us to any overseas entity for marketing purposes.

In all instances where personal information may be disclosed overseas, in addition to any local data privacy laws, we have measures in place to ensure that those parties hold and use that information in accordance with the consent you have provided and in accordance with our obligations to you under the Privacy Act 1988 (Cth).

Your Choices

In dealing with us, you agree to us using and disclosing your personal information as set out in this statement and our Privacy Policy. This consent remains valid unless you alter or revoke it by giving written notice to our Privacy Officer. However, should you choose to withdraw your consent it is important for you to understand that this may mean we may not be able to provide you or your organisation with insurance or to respond to any claim.

How to Contact Us

If you would like a copy of your personal information, or to correct or update it, please contact our customer relations team on 1800 815 675 or email CustomerService.AUNZ@chubb.com.

Leased Property Policy Wording

If you have a complaint or would like more information about how we manage your personal information, please review our Privacy Policy for more details or contact:

The Privacy Officer
Chubb Insurance Australia Limited
GPO Box 4907
Sydney NSW 2001
Tel: +61 2 9335 3200 or email Privacy.AU@chubb.com.

Protecsure Privacy Policy

Protecsure will comply with the provisions of the Privacy Act 1988. Protecsure's Privacy Policy can be found on our web site www.protecsure.com.au

Financial Claims Scheme

We are an insurance company authorised under the Insurance Act 1973 (Cth) (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and are subject to the prudential requirements of the Insurance Act.

The Insurance Act is designed to ensure that, under all reasonable circumstances, financial promises made by Us are met within a stable, efficient and competitive financial system.

Because of this We are exempted from the requirement to meet the compensation arrangements Australian financial services licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act 2001 (Cth). We have compensation arrangements in place that are in accordance with the Insurance Act.

In the unlikely event that We were to become insolvent and were unable to meet Our obligations under the Policy, a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to eligibility criteria. Please refer to <https://www.fcs.gov.au> for more information.

The General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice (the Code). The objectives of the Code are to further raise standards of service and promote consumer confidence in the general insurance industry.

Further information about the Code and your rights under it is available at www.codeofpractice.com.au and on request.

How to Make a Claim

Please contact Protecsure directly on the contact details listed below if you wish to make a claim. Full details of what you must do for us to consider your claim are provided in the Policy.

Protecsure Pty Ltd
ABN 26 094 997 163 AFSL 238815
Level 2, 151 Castlereagh Street, Sydney NSW 2000
www.protecsure.com.au
Email: claims@protecsure.com.au
Ph (02) 8270 6400 | Fax (02) 9249 3850

Complaints and Dispute Resolution

We take the concerns of our customers very seriously and have detailed complaint handling and internal dispute resolution procedures that you can access. Please note that if we have resolved your initial complaint to your satisfaction by the end of the 5th business day after we have received

it, and you have not requested that we provide you a response in writing, the following complaint handling and internal dispute resolution process does not apply. This exemption to the complaints process does not apply to complaints regarding a declined claim, the value of a claim, or about financial hardship.

Stage 1 – Complaint Handling Procedure

If you are dissatisfied with any aspect of your relationship with Chubb including our products or services and wish to make a complaint, please contact us at:

The Complaints Officer
Chubb Insurance Australia Limited
GPO Box 4065
Sydney NSW 2001
O 1800 815 675
E Complaints.AU@chubb.com

The members of our complaint handling team are trained to handle complaints fairly and efficiently.

Please provide us with your claim or policy number (if applicable) and as much information as you can about the reason for your complaint.

We will investigate your complaint and keep you informed of the progress of our investigation. We will respond to your complaint in writing within fifteen (15) business days provided we have all necessary information and have completed any investigation required. In cases where further information or investigation is required, we will work with you to agree reasonable alternative time frames and, if We cannot agree, you may request that your complaint is taken to Stage 2 and referred to Our internal dispute resolution team. We will otherwise keep you informed about the progress of our response at least every ten (10) business days, unless you agree otherwise.

Please note if your complaint relates to Wholesale Insurance (as defined in the General Insurance Code of Practice), we may elect to refer it straight to Stage 2 for review by our Internal Dispute Resolution team.

Stage 2 – Internal Dispute Resolution Procedure

If you advise us that you wish to take your complaint to Stage 2, your complaint will be reviewed by members of our internal dispute resolution team, who are independent to our complaint handling team and are committed to reviewing disputes objectively, fairly and efficiently.

You may contact our internal dispute resolution team by phone, fax or post (as below), or email at:

Internal Dispute Resolution Service
Chubb Insurance Australia Limited
GPO Box 4065
Sydney NSW 2001
O +61 2 9335 3200
F +61 2 9335 3411
E DisputeResolution.AU@chubb.com

Please provide us with your claim or policy number (if applicable) and as much information as you can about the reason for your dispute.

We will keep you informed of the progress of our review of your dispute at least every ten (10) business days and will respond to your dispute in writing within fifteen (15) business days, provided we have all necessary information and have completed any investigation required. In cases where further information or

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investigation is required, we will work with you to agree reasonable alternative time frames. If we cannot agree, you may refer your dispute to the Financial Ombudsman Service Australia (FOS) as detailed under Stage 3 below, subject to its Terms of Reference. If your complaint or dispute falls outside the FOS Terms of Reference, you can seek independent legal advice or access any other external dispute resolution options that may be available to you.

Stage 3 – External Dispute Resolution

If you are dissatisfied with our internal dispute determination, or we are unable to resolve your complaint or dispute to your satisfaction within forty-five (45) days, you may refer your complaint or dispute to FOS, subject to its Terms of Reference.

FOS is an independent external dispute resolution scheme approved by the Australian Securities and Investments Commission. We are a member of this scheme and we agree to be bound by its determinations about a dispute. Where a dispute is covered by the FOS Terms of Reference, the General Insurance Division of FOS offers a free and accessible dispute resolution service to consumers.

You may contact FOS at any time at:

Financial Ombudsman Service Australia
GPO Box 3
Melbourne VIC 3001
O 1800 367 287
F +61 3 9613 6399
E info@fos.org.au
www.fos.org.au

If you would like to refer your dispute to FOS you must do so within 2 years of the date of our internal dispute determination. FOS may still consider a dispute lodged after this time if FOS considers that exceptional circumstances apply

The Policy is issued by:
Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL No 239687

Our web site can be visited at www.chubbcom/au

Additional Information

This GPI is dated 1st November 2016

Leased Property Policy Wording

Coverage

Leased Property

We will pay for direct physical loss or damage to **leased property** for all types as set out in the annual rate schedule and caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Policy Limits shown in the Policy Schedule. We will not pay for third party property damage or bodily injury.

However, this coverage does not apply to **leased property** whilst:

- at or within 30 metres of any premises you own, lease or occupy;
- or in the course of delivery to your lessee at their premises or a location used, occupied or stipulated by them.

Attachment and Termination of Individual Lease Agreements

Attachment

Coverage begins for **leased property**:

- for all **lease agreements** effective on or after the **effective date** of this policy, on the date the property is delivered to your lessee at their premises, or on the date that the **lease agreement** is executed by your lessee, whichever date is later, provided that you report such **lease agreement** to Protecsure within 60 days after coverage begins;
- for all **lease agreements** effective on or after the **effective date** of this policy and reported to Protecsure 61 days or more after coverage would otherwise begin under A. above, on the date you report such **lease agreement** to Protecsure; or
- for all **lease agreements** effective before the **effective date** of this policy, on the date you report such **lease agreements** to Protecsure, provided such report date is on or after the effective date of this policy.

Termination

Coverage on individual **lease agreements** ends when the first of the following occurs:

- your interest in the **leased property** ceases;
- this policy expires or is cancelled. However, expiration or cancellation of this policy shall not end any coverage provided for **lease agreements** which are already insured under this policy at the time this policy expires or is cancelled;
- the termination or expiration of the period for which premium was paid in respect of an individual reported **lease agreement**;
- the **lease agreement** is cancelled in accordance with the Cancellation of Insurance on Individual Lease Agreements Condition; or
- the **lease agreement** is cancelled in accordance with the Payment of Additional Premium Condition

Coverage Territory

Except as otherwise stated, the coverage territory is anywhere within, and **in transit** within Australia except for **leased property** whilst in the course of delivery to any lessee at their premises or a location used, occupied or stipulated by them.

With respect to laptop computers, the coverage territory is worldwide, however, this insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit Chubb, its parent company, or its ultimate controlling entity from providing insurance in territories outside of Australia.

Limits of Insurance

The most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Policy Schedule, regardless of whether any Coverage, Extension Of Coverage or Additional Coverage appears in any other contract or contracts which form a part of this policy.

Minimum Loss Amount

As respects each **lease agreement**, we will not pay for any loss or damage if the amount of loss or damage does not exceed the applicable Minimum Loss Amount shown in the Policy Schedule. We will pay the total amount of loss or damage if the amount of loss or damage is in excess of the applicable Minimum Loss Amount shown in the Policy Schedule.

Leased Property Policy Wording

If two or more **lease agreements**, for one or more lessees, are involved in the same **occurrence**, the applicable Minimum Loss Amount shown in the Policy Schedule will apply toward each **lease agreement**.

Loss Payment Basis excluding Plant and Machinery

Subject to the applicable Limit Of Insurance for **leased property** shown in the Policy Schedule, **leased property** excluding **plant and machinery** is valued on a Replacement Cost Basis as shown below.

Our Loss Payment Options excluding Plant and Machinery

In the event of loss or damage covered by this policy, at our option we will either:

- pay the covered value of the lost or damaged **leased property**;
- pay the cost of repairing or replacing the lost or damaged **leased property**;
- take all or any part of the **leased property** at an agreed or appraised value; or
- repair or replace the **leased property** with other **leased property** of comparable material for the same use.

Replacement Cost Basis excluding Plant and Machinery

Leased property will be valued at the full cost to repair or replace it on the date of loss or damage with material of like kind and quality under the same **lease agreement**, but not more than:

- you actually spend to repair or replace it for the same use, and
- the value of each item stated on the **lease agreement**.

There is no deduction for physical deterioration, depreciation, obsolescence or depletion.

If the **leased property** is not repairable or is completely destroyed or lost, and you choose not to replace the **leased property** under any current or future **lease agreement** with the lessee who had care, custody or control of the property at time of loss, we will pay the **stipulated loss amount** if your accounting records are in compliance with generally accepted accounting principles during the entire **lease agreement period**. If your accounting records are not in compliance with generally accepted accounting principles during the entire **lease agreement period**, we will pay the **stipulated loss amount** or the **actual cash value**, whichever is less.

Our Loss Payment Options for Plant and Machinery

In the event of loss or damage to **leased property** which is **plant and machinery** covered by this policy, at our option we will either:

- pay the covered value of the lost or damaged **leased property**;
- pay the cost of repairing or replacing the lost or damaged **leased property**;
- take all or any part of the **leased property** at an agreed or appraised value; or
- repair or replace the **leased property** with other **leased property**
- pay the **stipulated loss amount** if the **leased property** is not repairable or is completely destroyed or lost, and you choose not to replace the **leased property** under any current **lease agreement** with the lessee who had care, custody or control of the property at time of loss provided that your accounting records are in compliance with generally accepted accounting principles during the entire **lease agreement period**. If your accounting records were not in compliance with generally accepted accounting principles during the entire **lease agreement period**, we will pay the **stipulated loss amount** or the **indemnity basis**, whichever is the lesser amount, subject to the applicable Limit of Insurance for **leased property** shown in the Policy Schedule.

Reinstatement Basis for Plant and Machinery

Leased property which is **plant and machinery** no greater than 12 months old will be valued at the full cost to repair or replace it on the date of loss or damage with similar property in a condition equal to but not better or more extensive than its condition when new under the same **lease agreement**, but not more than:

- you actually spend to repair or replace it for the same use, and
- the value of each item stated on the **lease agreement**

There is no deduction for physical deterioration, depreciation, obsolescence or depletion.

Leased Property Policy Wording

Indemnity Basis for Plant and Machinery

Leased property which is **plant and machinery** greater than 12 months old will be valued at the full cost to repair or replace it on the date of loss or damage with similar property after a deduction for physical deterioration, depreciation, obsolescence and depletion but not more than:

- you actually spend to repair or replace it for the same use, and
- the value of each item stated on the **lease agreement**.

Loss Payment Limitations

Loss Of Market

We will not pay for any loss or damage that results from loss of market, loss of use or delay.

Extensions of Coverage

The following Extensions of Coverage are included under your coverage for **leased property** and are subject to the applicable Limit Of Insurance for **leased property** shown in the Policy Schedule.

Contingent Interest

We will pay for any direct physical loss or damage to **leased property**, caused by or resulting from a peril not otherwise excluded, on any **lease agreements**:

- that you had reported during the policy period in accordance with clauses A, B or C of the Attachment provision in the Attachment and Termination of Individual Lease Agreements section of this policy; and
- which had subsequently been cancelled in accordance with the Cancellation of Insurance on Individual Lease Agreements Condition because of the existence of other specific insurance on the property contained in such **lease agreements**,

but only for loss or damage which occurs on or after the date when such other specific insurance expires or is cancelled

Pair, Sets or Parts

We will pay for the consequential loss to undamaged **leased property** which has become unusable for its intended purpose as a complete product, because of covered direct physical loss or damage to **leased property** which is part of the same product and subject to the same **lease agreement**.

Additional Coverages

Unless otherwise stated, the following Additional Coverages are provided only if a Limit of Insurance for such Additional Coverages is shown in the Policy Schedule.

Preparation Of Loss Fees

We will pay the reasonable and necessary expenses we require you to incur after a covered direct physical loss or damage to **leased property** to determine the extent of such loss or damage, not to exceed the applicable Limit of Insurance for Preparation Of Loss Fees shown in the Policy Schedule.

This Additional Coverage does not apply to any expense you incur for any:

- insurance adjuster, consultant, or attorney; or
- of your subsidiaries or affiliates.

Repossessed Leased Property

We will pay for direct physical loss or damage to **leased property** which you have repossessed due to default by a lessee, while such property is being refurbished for resale or while in storage awaiting resale, caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Repossessed **leased property** in the Policy Schedule.

The loss or damage must occur:

- at a premises shown in the policy schedule, or within 300 metres of such premises; and
- within 60 days of the date you repossess the **leased property**, unless otherwise stated or agreed by us.

Unintentional Errors And Omissions

In the event direct physical loss or damage to **leased property** is not payable under this policy as a result of:

- an unintentional error or omission in the description or location of **leased property**;
- failure through unintentional error or omission to report to us in a timely manner in accordance with the Reporting Obligations here; or
- failure through unintentional error or omission to include any **lease agreements** in accordance with the Reporting Obligations herein,

we will pay such loss or damage only to the extent this policy would have paid such loss or damage if the unintentional error or omission had not been made not to exceed the applicable Limit Of Insurance for Errors Or Omission shown in the Policy Schedule.

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This Additional Coverage applies only if:

- such unintentional error or omission existed at the effective date of this policy, the effective date of any subsequent endorsement or during the term of this policy;
- you report and correct such unintentional error or omission when discovered; and
- you pay such additional premium as calculated by the Reporting Obligation, effective from the date the specific **leased property** would have been covered under this policy or the date other specific insurance ceased to provide the coverage required under the **lease agreement**, whichever date is later.

This Additional Coverage does not apply if:

- you collect any portion of the loss or damage under this policy or any other policy; or
- the direct physical loss or damage is caused by or results from earthquake.

General Conditions applicable to all sections of the policy

Abandonment

There can be no abandonment of any **leased property** to us unless we specifically agree to such abandonment in writing.

Appraisal

If you and we do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss or damage. In this event, either or both party may select and pay a competent and impartial appraiser, to report on the value of the property and the amount of the loss or damage.

Each party shall bear its own appraisal costs.

If there is an appraisal, we may still retain our right to deny the claim.

Annual Rate Schedule

We will provide a schedule of annual rates to be applied pro-rata per \$100 of reported values for the entire initial term of each **lease agreement**. We have the right to change the rates for various types of equipment once during each policy year. We must give you ninety (90) days written notice in order to change the rates unless mutually agreed by us and the Insured to do so earlier. Such change will become effective for all **lease agreements** reported to us after that date. Rates applied to **lease agreements** reported prior to the date of the rate change remain in effect for the full coverage period. Rates in the annual rate schedule do not include government taxes and charges which are to be added to gross premiums as applicable.

Audit Of Books And Records

We may audit your books and records as they relate to this insurance at any time during normal business hours during the term of this policy and up to three years afterwards upon reasonable notice.

Cancellation of Insurance on Individual Lease Agreements

As respects individual **lease agreements**, if you notify Protecsure:

- A. before loss or damage and within 6 months of the date coverage begins under this policy that there is other specific insurance on individual **leased property** that meets your **lease agreement** requirements, as determined by you, then:
 - our coverage on **leased property** will cease provided such other coverage became effective within 90 days of the date that our coverage became effective, and all related premiums will be refunded to you; or
 - our coverage on **leased property** will cease if such other coverage became effective 90 days or more after our coverage became effective, with the cessation of cover becoming effective at the same time such other coverage became effective, and all related unearned premiums shall be refunded to you;
- B. before loss or damage and six (6) months or more after the date of coverage begins under this policy that there is other specific insurance covering the **leased property** that meets all the requirements in your **lease agreement**, as determined by you, our coverage will cease effective as of the later of:
 - a date 90 days prior to such discovery or other notification; or
 - the effective date of such other insurance,

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and in either case all related unearned premium as at the cessation date will be refunded to you;

- C. after payment for a loss that there is other specific insurance on the **leased property** which meets your **lease agreement** requirements, as determined by you, then paragraphs A. or B. above, as the case may be, shall apply, except that there shall be no refund of premium with respect to any period prior to the loss, or
- D. that the insurance component of an active **lease agreement** has been terminated by you or a Premium Finance Company, then all related unearned premium as of such cancellation date will be refunded to you, except that there shall be no refund of premium with respect to any period prior to any loss paid hereunder. The cancellation date for **leased property** which has been disposed of will be the date the **leased property** was disposed of subject to satisfactory written confirmation of such disposal.

Unearned premium will be the amount of any future element of insurance premium paid to us but not yet earned by us, in accordance with the insurance component of your lease billing cycle, as of the effective date of cessation of this insurance for an individual **lease agreement**. You must give us notice no later than 3 months after the effective date from which you determine the termination of the insurance to be effective. Otherwise, you will continue to be liable for premium for any delay in excess of that 3 month period.

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| <i>Cancellation Of Policy</i> | <p>The First Named Insured may cancel this policy at any time by sending us notification in writing stating when the cancellation is to take effect. No cancellation will be done retrospectively.</p> <p>We may cancel this policy in accordance with the provisions of section 60 of the <i>Insurance Contracts Act 1984</i>.</p> <p>In accordance with the Attachment and Termination of Insurance For Individual Lease Agreements section of this policy, the cancellation of this policy does not result in the cancellation of insurance for lease agreements attaching prior to cancellation of the policy; and, therefore, no unearned premium refund is due, except as specified below.</p> <p>Any unearned premium resulting from cancellation or termination of insurance on individual lease agreements will be returned to you within 90 days. The unearned premium refund for individual lease agreements will be calculated in accordance with the Cancellation of Insurance on Individual Lease Agreements Condition and Reporting Obligation of this policy.</p> |
| <i>Changes</i> | <p>This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorised representatives. Changes must be requested by the First Named Insured.</p> |
| <i>Compliance By Insureds</i> | <p>We have no duty to provide coverage under this policy unless you and any other insured have fully complied with all of the terms and conditions of the policy.</p> <p>Our rights to apply this condition in Australia shall be subject to section 54 of the <i>Insurance Contracts Act 1984</i> as amended.</p> |
| <i>Conformance</i> | <p>In the event any term or condition of this policy is found to be invalid, illegal or unenforceable, in whole or in part, such term or condition or part thereof shall be deemed not to apply to this policy. However, the validity, legality and enforceability of all other terms and conditions will remain unchanged.</p> |
| <i>First Named Insured</i> | <p>The person or organisation first named in the Declarations is primarily responsible for payment of all premiums. The First Named Insured will act on behalf of all other Named Insureds for the giving and receiving of notice of cancellation or non-renewal and the receiving of any return premiums that become payable under this policy.</p> <p>Your lessee is not, and cannot be, an insured under this policy.</p> |
| <i>Inspections And Surveys</i> | <p>We may:</p> <ul style="list-style-type: none">• make inspections and surveys at any time;• give you reports on the conditions we find; and• recommend changes. |

Leased Property Policy Wording

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us.

Insured's Duties In The Event Of Loss Or Damage

In the event of loss or damage you must notify Protecsure, or us if directed, as soon as possible. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses.

In addition you must provide all reasonable assistance required by Protecsure, or us if directed, to ensure that:

- The police are notified if a law may have been violated.
- Every reasonable step is taken to protect the covered property from further loss or damage, and a record is kept of your expenses necessary to protect such covered property for consideration in the settlement of the claim. This will not increase any Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a peril that is not a covered peril. Where possible, the lost or damaged property is to be set aside and in the best possible order for examination.
- Protecsure or us are provided with a recorded statement of loss within 90 days after the date of loss or damage.
- Sworn proof of loss is provided to Protecsure or us within 90 days after the date of loss or damage.
- Lessees cooperate with us in the investigation, settlement or handling of any claim.
- Protecsure or us are authorised to obtain records or reports necessary for our investigation.
- Complete inventories of the lost or damaged and undamaged property are provided to Protecsure or us on our request. This includes quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, Protecsure or us are permitted to inspect the property and examine your books and records, including equipment invoices and **lease agreements**.
- Protecsure or us are permitted to take samples of the damaged and undamaged property for inspection, testing and analysis, and are permitted to make copies from your books and records.
- Protecsure or us are permitted to examine any insured under oath or affirmation, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this policy or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Lenders/Loss Payee

If any Loss Payee shown in the Policy Schedule and Loss Payees is a creditor whose interest in **leased property** is established by a written instrument and both you and such Loss Payee have an insurable interest in the lost or damaged **leased property**, we or Protecsure on our behalf will:

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and to each such Loss Payee, in their order of precedence, as interests may appear.

Each Loss Payee has the right to receive loss payment, even though:

- we denied your claim because you failed to comply with the terms of this policy; or
- such Lenders/Loss Payee starts repossession or similar actions on the **leased property**,

if such Loss Payee:

- pays any premium due to Protecsure or us at our request if you have failed to do so;
- submits a signed, sworn proof of loss statement within 60 days after receiving notice from Protecsure or us of your failure to do so; and
- has notified Protecsure or us of any change in ownership, occupancy or substantial change in risk known to such Loss Payee.

Leased Property Policy Wording

Each Loss Payee's right to receive loss payment is limited to the lesser of the following:

- the **actual cash value** of the lost or damaged **leased property**;
- their financial interest in the **leased property** as shown in the written evidence; or
- the applicable Limit Of Insurance for **leased property** shown in the Policy Schedule.

If we pay any Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this policy, such Loss Payee's rights:

- will be transferred to us to the extent of the amount we pay; and
- to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to any Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

To satisfy the requirements of any Loss Payee shown in the Policy Schedule, copies of policies or certified copies of policies may be sent to these Loss Payees. In no event are copies of policies sent to Loss Payees to be considered as increasing the Limits Of Insurance shown in the Policy Schedule or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

Your lessee is not, and cannot be, a Loss Payee under this policy.

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| <i>Loss Payment</i> | <p>A. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this insurance and Protecsure or we have reached agreement with you on the amount of loss; or</p> <p>B. We will not pay you more than your financial interest in the leased property.</p> <p>C. We may adjust losses with the owners of lost or damaged leased property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' leased property. We will not pay the owners more than their financial interest in such leased property.</p> <p>D. We may elect to defend you against suits arising from claims of owners of leased property. We will do this at our expense.</p> |
| <i>No Benefit To Carrier Or Bailee</i> | No person or organisation, other than you, having custody of covered property will benefit from this policy. |
| <i>Non-Disclosure Or Misrepresentation</i> | <p>If you or any other insured fail to comply with your duty of disclosure or misrepresent any material fact or circumstance relating to this policy we may reduce our liability in respect of any claim made under this policy.</p> <p>If the non-disclosure or misrepresentation is fraudulent we may avoid the policy in its entirety.</p> |
| <i>Payment of Additional Premium</i> | <p>You must pay to Protecsure the additional Premium and applicable taxes and charges in respect of all newly incepted lease agreements reported to Protecsure in each Renewed Lease Agreement Report. Premium and applicable charges are payable annually and payment is due within 10 business days of receipt by you of written confirmation of cover.</p> <p>For lease agreements which are in the renewal term Premium and applicable taxes and charges are payable monthly and payment is due within 10 business days of receipt by you of written confirmation of cover.</p> <p>Failure to pay the additional Premium within this period, or any subsequent notice period provided for by us, will result in cover in respect of these newly incepted lease agreements or any lease agreements which are in the renewal term being cancelled and never having been in place.</p> |
| <i>Recovered Property</i> | <p>If any lost or damaged leased property is recovered by you, the lessee or us after a loss payment is made, the party making the recovery must give the other parties prompt notice.</p> <p>If any recovered leased property has a salvage value, Protecsure or us shall control the disposition of such salvage.</p> <p>When the leased property is recovered, you may keep the:</p> <ul style="list-style-type: none">• recovered leased property and return the loss payment to us; or |

Leased Property Policy Wording

- loss payment and we will keep the recovered **leased property**.

When any recovered covered property which you choose to keep is in need of repair, we will pay for the repairs subject to the:

- applicable Limit Of Insurance shown in the Policy Schedule; and
- Loss Payment Basis provision excluding Plant and Machinery, Our Loss Payment Options for Plant and Machinery.

If any recovered **leased property** has salvage value, or if there is any money recovered through subrogation, such recoveries shall be applied, net of the expense of such recovery, in the following order:

- first, to you for any uninsured loss or damage resulting from an insufficient limit of insurance;
- second, to us for any amounts paid in settlement of your claim; and
- third, to you for any penalties you paid as a result of the Reporting Obligation of this policy.

We shall determine the amount of loss or damage on the basis on which it would have been settled had the amount of recovery been known at the time the loss was originally determined.

If there are expenses in recovering any lost or damaged covered property, or as a result of subrogation, we shall share the expense with you and any insurer providing excess insurance in proportion to the amount we are each reimbursed. If there should be no recovery and proceedings are conducted solely by us, we shall bear the expense of the proceedings, and may retain all recoveries.

Reporting Obligation

You agree to keep and maintain an accurate record of your business as it relates to this policy. You agree to provide Protecsure monthly with a **Newly Incepted Lease Agreements Report** as of the last day of each month.

The first **Newly Incepted Lease Agreements Report** is due within 45 days after inception of the Policy as shown on the Policy Schedule. Subsequent reports are due monthly thereafter.

You also agree to provide Protecsure with a **Reconciled Lease Agreements Report** and a **Renewed Lease Agreements Report** as at the last day of each month.

The first **Reconciled Lease Agreements Report** is due within 90 days of the inception of the Policy as shown on the Policy Schedule. Subsequent reports are due monthly thereafter until all individual **lease agreements** have terminated in accordance with the Attachment and Termination of Individual Lease Agreements clause in this policy. The expiration or cancellation of this policy shall not end your obligation to provide the **Reconciled Lease Agreements Report** for as long as necessary.

If, at the time of loss or damage, you have:

- failed to provide any report when due; or
- reported incorrect values or **lease agreements**,

we will not pay for such loss or damage, subject to the Unintentional Errors or Omissions Additional Coverage herein.

Protecsure will determine the premium by applying pro rata the annual Rate per \$100 of Values at Risk, shown in the Rate Schedule attached to this policy, to the actual values which you have reported to us in the **Reconciled Lease Agreements Report**, subject to any additional terms and conditions in the Rate Schedule.

Any premium payable in respect of a **lease agreement** that is in renewal term shall be the monthly equivalent of the annual premium that was payable during the **initial lease term** of the **lease agreement**.

The premiums Protecsure calculate will be reduced by any unearned premium refund due to you in accordance with the Cancellation of Insurance on Individual Lease Agreements Condition.

Titles Of Paragraphs

The titles of the various sections of this policy, the exclusions and endorsements, if any, attached to this policy, are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

Leased Property Policy Wording

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| <i>Transfer Of Rights And Duties</i> | The Insured's rights and duties under this policy may not be transferred or assigned without our written consent. |
| <i>Transfer Of Rights Of Recovery To Us</i> | <p>If any person to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organisation must do everything necessary to secure our rights and must do nothing after loss to impair our rights.</p> <p>You will waive your rights to recover damages from your lessee, except to the extent that payment under this policy is made for loss or damage to leased property caused by or resulting from theft or conversion by employees of a lessee who are not partners, directors or trustees of the lessee.</p> <p>You may waive your rights against another party in writing:</p> <ol style="list-style-type: none">A. prior to direct physical loss or damage to covered property; orB. after direct physical loss or damage to covered property only if, at the time of direct physical loss or damage, that party is one of the following:<ol style="list-style-type: none">1. someone insured by this policy;2. an individual who owns or controls the majority of capital stock of your business;3. related business firm majority-owned or controlled by you, or that owns or controls the majority of the capital stock of your business; or4. your tenant. <p>This will not restrict your policy.</p> |
| <i>Exclusions</i> <i>Acts Or Decisions</i> | <p>This policy does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.</p> <p>This Acts or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.</p> |
| <i>Artificial Currents</i> | <p>This policy does not apply to loss or damage caused by or resulting from artificially generated electric currents.</p> <p>This Artificial Currents exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.</p> |
| <i>Beach, Offshore or Underground</i> | <p>This policy does not apply to plant and machinery whilst at a beach, offshore or underground.</p> |
| <i>Business Errors</i> | <p>This policy does not apply to loss or damage caused by or resulting from errors in the:</p> <ul style="list-style-type: none">• altering;• calibrating;• constructing;• developing;• distributing;• installing;• manufacturing;• maintaining;• processing;• repairing;• researching; or• testing; <p>of part or all of any leased property.</p> <p>This Business Errors exclusion does not apply to:</p> <ul style="list-style-type: none">• loss or damage that results to other covered leased property; or• ensuing loss or damage caused by or resulting from a peril not otherwise excluded. |

Leased Property Policy Wording

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| <i>Change In Quality</i> | <p>This policy does not apply to:</p> <ul style="list-style-type: none">• loss or damage, which is change in flavor, taste, color, texture, finish, appearance, smell or scent; or• loss or damage caused by or resulting from change in flavor, taste, color, texture, finish, appearance, smell or scent, <p>regardless of any other cause or event that directly or indirectly:</p> <ul style="list-style-type: none">• contributes concurrently to; or• contributes in any sequence to, <p>the loss or damage, even if such other cause or event would otherwise be covered.</p> <p>This change in quality exclusion does not apply:</p> <ul style="list-style-type: none">• if the loss or damage is caused by or results from a specified peril; or• to ensuing loss or damage caused by or resulting from a peril not otherwise excluded. |
| <i>Change In Temperature</i> | <p>This policy does not apply to loss or damage caused by or resulting from natural or artificial:</p> <ul style="list-style-type: none">• dampness or dryness of atmosphere; or• changes in or extremes of temperature, <p>regardless of any other cause or event that directly or indirectly;</p> <ul style="list-style-type: none">• contributes concurrently to; or• contributes in any sequence to, <p>the loss or damage, even if such other cause or event would otherwise be covered.</p> <p>This Change In Temperature exclusion does not apply:</p> <ul style="list-style-type: none">• if the loss or damage is caused by or results from a specified peril; or• to ensuing loss or damage caused by or resulting from a peril not otherwise excluded. |
| <i>Decay</i> | <p>This policy does not apply to loss or damage caused by or resulting from:</p> <ul style="list-style-type: none">• decay;• frosting;• thawing;• rotting;• spotting; or• steaming. |
| <i>Dishonesty</i> | <p>This policy does not apply to loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omission committed alone or in collusion with others by you, your partners, members, officers, managers, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone, other than a lessee, to whom you have entrusted leased property for any purpose</p> <p>This Dishonesty exclusion does not apply to:</p> <ol style="list-style-type: none">A. acts of vandalism;B. acts committed by carriers or warehouseman for hire, or anyone claiming to be a carrier or warehouseman for hire, other than:<ol style="list-style-type: none">1. you, your partners, directors, trustees and employees;2. anyone performing acts coming within the scope of the usual duties of your employees; or3. anyone authorized to act for you; orC. ensuing loss or damage caused by or resulting from a peril not otherwise excluded. |
| <i>Earthquake</i> | <p>This policy does not apply to loss or damage caused by or resulting from earthquake, regardless of any other cause or event that directly or indirectly:</p> <ul style="list-style-type: none">• contributes concurrently to; or• contributes in any sequence to, <p>the loss or damage, even if such other cause or event would otherwise be covered.</p> |

Leased Property Policy Wording

This Earthquake exclusion does not apply to **leased property** while **in transit**; or ensuing loss or damage caused by or resulting from a specified peril.

Electronic Data

This Policy does not apply to loss, damage, destruction, distortion, erasure, corruption or alteration of **electronic data** from any cause whatsoever (including but not limited to **computer virus**) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

However, in the event that a peril listed below results from any of the matters described in paragraph above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils

Fire
Explosion

Errors In Systems Programming

This policy does not apply to loss or damage caused by or resulting from:

- A. errors or omissions in the development of, programming of, or instructions to:
 - 1. **electronic data processing property**; or
 - 2. a machine; or
- B. **electronic data** which is faulty, inadequate or defective for the use intended at the time of loss or damage.

This Errors In Systems Programming exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Fungus

This policy does not apply to loss or damage:

- which is **fungus**;
- which is in anyway attributed to the presence of **fungus**; or
- caused by or resulting from **fungus**,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such cause or event would otherwise be covered.

This Fungus exclusion does not apply when the presence of **fungus** results from:

- explosion;
- fire;
- leakage from fire protection equipment; or
- lightning.

Governmental Or Military Action

This policy does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental or military authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental or Military Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental or military authority:

- A. when taken at the time of a fire to prevent its spread, if the fire would be covered under this policy; or
- B. contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental or Military Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental or military authority:

Leased Property Policy Wording

- C. when taken at the time of a fire to prevent its spread, if the fire would be covered under this policy; or
- D. if the act of destruction is made necessary by direct physical loss or damage to:
1. **leased property** while **in transit**; or
 2. a conveyance in or on which **leased property** while **in transit** is loaded, caused by or resulting from a peril not otherwise excluded.

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| <i>Insects Or Animals</i> | <p>This policy does not apply to loss or damage caused by or resulting from nesting or infestation by, or discharge or release of waste products or secretions of:</p> <ul style="list-style-type: none">• insects;• birds;• rodents; or• other animals. <p>This Insects Or Animals exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.</p> |
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| <i>Inventory Shortage</i> | <p>This policy does not apply to loss or damage caused by or resulting from shortage disclosed on taking inventory, where there is no physical evidence to show what happened.</p> <p>This Inventory Shortage exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.</p> |
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| <i>Latent Defect</i> | <p>This policy does not apply to loss or damage caused by or resulting from latent defect or any quality within the leased property which causes loss or damage to it.</p> <p>This Latent Defect exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.</p> |
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| <i>Lessee Conversions, Theft And Voluntary Parting</i> | <p>This policy does not apply to loss or damage caused by or resulting from:</p> <ul style="list-style-type: none">• conversion or theft by a lessee or a lessee's partners, directors, and trustees, or by anyone authorized to act for a lessee, or anyone to whom a lessee entrusts leased property for any purpose; or• a lessee's voluntary parting with title or possession of the leased property, even if fraudulently induced to do so by a trick, scheme, device or false pretense. |
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| <i>Marring or Scratching</i> | <p>This policy does not apply to loss or damage caused by or resulting from marring or scratching of leased property.</p> <p>This Marring or Scratching exclusion does not apply to marring or scratching caused by or resulting from fire.</p> |
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| <i>Mechanical Breakdown</i> | <p>This policy does not apply to loss or damage caused by or resulting from mechanical breakdown of property.</p> <p>This insurance does not apply to</p> <ul style="list-style-type: none">• Damage caused by faulty, inadequate or defective installation• Damage for which a supplier contractor or repairer is responsible either by law or under contract• Damage caused by failure of leased property to perform in accordance with plans or specifications;• Damage caused by freezing caused by or resulting from weather conditions. <p>This Mechanical Breakdown exclusion does not apply to ensuing loss or damage caused by or resulting from a cause not otherwise excluded.</p> |
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| <i>Multiple Lifting Operations</i> | <p>This policy does not apply to loss or damage to leased property arising from any multiple lifting operations, where two or more lifting machines are used for the purpose of lifting or lowering a single load.</p> |
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Leased Property Policy Wording

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| <i>Nuclear Hazard</i> | <p>This policy does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:</p> <ul style="list-style-type: none">• contributes concurrently to; or• contributes in any sequence to, <p>the loss or damage, even if such other cause or event would otherwise be covered.</p> <p>This Nuclear Hazard exclusion does not apply to ensuing loss or damage caused by or resulting from fire, if the fire would be covered under this insurance.</p> |
| <i>Outdoor Machines</i> | <p>This policy does not apply to loss or damage caused by or resulting from theft of, or vandalism or malicious mischief to pay-telephones, vending machines, vending apparatus or coin- or currency-operated apparatus or any device attached to or controlled by them, while located outside of an enclosed structure, whether attached to such structure or not.</p> <p>This Outdoor Machines exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.</p> |
| <i>Planning, Design, Materials Or Maintenance</i> | <p>This policy does not apply to loss or damage (including the cost of correcting or making good) caused by or resulting from any faulty, inadequate or defective:</p> <ul style="list-style-type: none">• planning, zoning, development, surveying, siting;• design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;• materials used in repair, construction, renovation or remodeling; or• maintenance, <p>of part or all of any property.</p> <p>This Planning, Design, Materials or Maintenance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.</p> |
| <i>Pollutants</i> | <p>This policy does not apply to loss or damage caused by or resulting from the mixture of or contact between property and a pollutant when such mixture or contact causes the property to be impure and harmful to:</p> <ul style="list-style-type: none">• itself or other property;• persons, animals or plants;• air, land or water; or• any other part of an environment, <p>either inside or outside of a building or other structure regardless of any other cause or event that directly or indirectly:</p> <ul style="list-style-type: none">• contributes concurrently to; or• contributes in any sequence to <p>the loss or damage, even if such other cause or event would otherwise be covered.</p> <p>This Pollution exclusion does not apply to:</p> <ol style="list-style-type: none">A. the mixture of or contact between property and pollutants if the mixture or contact is directly caused by or directly resulting from a specified peril;B. any solid, liquid or gas used to suppress fire; orC. water <p>B and C above do not apply to loss or damage involving:</p> <ul style="list-style-type: none">• viruses or pathogens; or• ammonia. |
| <i>Property In The Open Air</i> | <p>This policy does not apply to loss or damage to leased property in the open caused by or resulting from dust, rain, sand, sleet or snow.</p> |
| <i>Rust, Oxidation, Corrosion Or Discoloration</i> | <p>This policy does not apply to loss or damage caused by or resulting from rust, oxidation, corrosion or discoloration.</p> |

Leased Property Policy Wording

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| <i>Sanction Limitation and Exclusion Clause</i> | <p>This Policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit Us, Our parent company or Our ultimate controlling entity from providing insurance.</p> |
| <i>Spoilage</i> | <p>This policy does not apply to:</p> <ul style="list-style-type: none">• loss or damage, which is spoilage; or• loss or damage caused by or resulting from spoilage, <p>regardless of any other cause or event that directly or indirectly:</p> <ul style="list-style-type: none">• contributes concurrently to; or• contributes in any sequence to, <p>the loss or damage, even if such other cause or event would otherwise be covered.</p> <p>This Spoilage exclusion does not apply:</p> <ul style="list-style-type: none">• if the spoilage is caused by or results from specified peril; or• to ensuing loss or damage caused by or resulting from a peril not otherwise excluded. |
| <i>Terrorism</i> | <p>Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.</p> <p>For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.</p> <p>This policy also excludes loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.</p> |
| <i>Tyres And Tubes</i> | <p>This policy does not apply to tyres or tubes of plant and machinery.</p> <p>This exclusion does not apply to:</p> <ul style="list-style-type: none">• ensuing loss or damage unless another exclusion applies;• loss or damage caused by fire, malicious mischief, theft, vandalism or windstorm. |
| <i>War And Military Action</i> | <p>This policy does not apply to loss or damage caused by or resulting from:</p> <ul style="list-style-type: none">• war, including undeclared or civil war;• warlike action by a military force, including action in hindering or defending against an actual or threatened attack, by any government, sovereign or other authority using military personnel or other agents; or• insurrection, rebellion, revolution, usurped power, or action taken by governmental or military authority, whether de jure or de facto, in hindering or defending against any of these, <p>regardless of any other cause or event that directly or indirectly:</p> <ul style="list-style-type: none">• contributes concurrently to; or• contributes in any sequence to, <p>the loss or damage, even if such other cause or event would otherwise be covered.</p> |
| <i>Wear And Tear</i> | <p>This policy does not apply to loss or damage caused by or resulting from wear and tear or deterioration.</p> <p>This Wear and Tear exclusion does not apply to ensuing loss or damage caused by or resulting from a specified peril.</p> |

Leased Property Policy Wording

Weight Load

This policy does not apply to loss or damage caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting capacity for **leased property**, as specified in load charts, brochures or manuals published by the manufacturer of such **leased property**.

Definitions applicable to this Policy

Actual Cash Value

Actual cash value means the cost to repair or replace property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Blank Media

Blank media means the blank medium upon which **electronic data** is recorded, but not **electronic data** itself.

Computer Virus

Computer virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. **Computer virus** includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

Communication Property

Communication property means:

- analog or digital communication equipment; or
- other equipment used to interactively communicate with others through voice, picture video or writing

you own or in your care, custody or control.

Communication property does not mean:

- **electronic data processing equipment;**
- **electronic data;**
- **mobile communication property;**
- contractors' machinery and equipment, including accessories, tools and spare parts;
- communication systems for sale or sold; or
- mobile machinery and equipment, including accessories tools and spare parts.

Conversion

Conversion means any unauthorized act which deprives an owner of their property permanently or for an indefinite time.

Electronic Data

Electronic data means software, data or other information that is in electronic form.

Electronic Data Processing Equipment

Electronic data processing equipment means:

- computers;
- computer peripherals;
- climate control and protection equipment used solely for electronic data processing operations;
- separately identifiable and removal component computer devices that are attached to **leased property** and are designed to control such property, but not the property itself; and
- **blank media.**

Electronic data processing equipment does not mean:

- **electronic data;**

Leased Property Policy Wording

- computers, peripherals, equipment or parts held for sale or distribution;
- computers, peripherals, equipment or parts that have been sold;
- computers, peripherals, equipment or parts in the course of manufacture;
- **communication property**;
- contractors' machinery and equipment, including accessories, tools and spare parts;
- **mobile communication property**; or
- mobile machinery and equipment, including accessories, tools and spare parts.

Electronic Data Processing Property

Electronic data processing property means:

- **electronic data**;
- **electronic data processing equipment**;
- **mobile communication property**; and
- **communication property**.

Electronic data processing property does not mean:

- contractors' machinery and equipment, including accessories, tools and spare parts; or
- mobile machinery and equipment, including accessories, tools and spare parts.

Fungus

Fungus means any:

- A.
 - 1. mildew, mold or other fungi;
 - 2. other micro-organisms; or
 - 3. any mycotoxins, spores or other by-products of the foregoing; or
- B. colony or group of any of the above.

Initial Lease Term

Initial Lease Term means the initial term of a **lease agreement**

In Transit

In transit means being shipped by air, surface or waterborne conveyance from the time beginning:

- when, if shipped from your premises in or on conveyances you own, lease or operate, the **leased property** departs your premises;
- when, if shipped from premises of others in or on conveyances you own, lease or operate, the **leased property** is transferred into your care, custody or control; or
- when the **leased property** is actually moved from the point of shipment bound for a specified destination, if shipped in or on any other conveyance;

and ending:

- when the **leased property** is accepted by, or on behalf of, the consignee at the intended destination;
- when the **leased property** is accepted by, or on behalf of, the consignee at any intermediate point short of reaching the original intended destination;

at such point where you, or the owner of the **leased property** if other than you, order the **leased property** stopped and held pending instructions. However, this does not apply to **leased property** while in the custody of a carrier for hire and which is being held at a location other than the intended destination by such carrier's "on-hand" department for a period not to exceed 30 days; or when, if shipped to your premises in or on conveyances you own, lease or operate, the **leased property** arrives at your premises.

In transit includes ordinary, reasonable, and necessary stops, interruptions, delays, or transfers incidental to the route and method of shipment but not while at premises you own, lease or operate. **In transit** also includes the period of time during which:

- there is a substantial and unauthorized deviation from the normal route by a carrier for hire; or
- the contract of carriage is, without your knowledge, abandoned en route by a carrier for hire, its agent, or its driver.

In transit does not mean:

- A. **leased property** shipped by mail, unless shipped by registered mail;

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- B. import shipments, within the coverage territory, until such time as ocean marine insurance has ceased to cover such property;
- C. export shipments once:
 - 1. loaded on board any steamer or other watercraft; or
 - 2. ocean marine insurance has begun to cover such property,whichever first occurs; or
- D. **leased property** owned by others when you are acting as a carrier for hire.

Lease Agreement

Lease Agreement means any current rental agreement, operating lease, lease, chattel mortgage or hire purchase agreement.

Leased Property

Leased property means **plant and machinery** and property of the type listed below other than any item(s) that are specifically defined as not being **leased property** whether by asset type or due to the nature of activity undertaken, which you own, or which is owned by others and for which you are contractually liable, which you elect to include in the leased property insurance policy and which you have leased to others when:

- you have leased the property directly as originator or indirectly as assignee or successor of the originator;
- there is a written lease agreement between you and the lessee of the property stipulating that the lessee shall bear and assume responsibility for loss or damage; and
- you have reported the lease agreement to Protecsure in accordance with the Reporting Obligations in this policy.

Leased Property Listing

- Office Printers
- Garage Equipment
- Telecommunications
- Medical/Dental (static and mobile)
- Restaurant Equipment
- Computer Equipment
- Copiers
- Fax Machines
- Mobile Communications
- Office Furniture/Equipment
- Mobile/Portable Equipment
- Machine Tools
- Retail Equipment/Fixtures
- Mailing Equipment
- Laptop Computers
- Industrial Printing

Leased property does not mean:

- accounts, bills, deeds, evidences of debt or other valuable papers or records;
- aircraft, including their motors, equipment and accessories;
- automobiles, trucks, trailers, semi-trailers or any self-propelled vehicles or machines primarily designed and licensed for highway use, except trailers and semi-trailers included on the same lease agreement with other property to be used for the purpose of providing mobility to such other property;
- bridges, tunnels, piers, wharves or docks;
- buildings or other structures;
- cranes;
- electronic data;
- machinery or equipment in course of manufacture;
- **mobile communication property**, except for laptop computers;
- jewelry, watches, furs, garments trimmed with fur, bullion, precious metals, precious or semi-precious stones or gems, or stamps or coins whose value exceeds face value;
- property with values in excess of the Maximum Value Per Lease Agreement or Maximum Value Per Any One Item, Pair, Set or Part shown in the Policy Schedule;

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- mobile machinery and equipment, including tools, accessories and spare parts, used for mining, logging, lumbering, or oil and gas exploration or processing, except while located and used in enclosed structures whose use is incidental to activities in these industries and located within the Coverage Territory;
- **money or securities;**
- property after your interest in it ceases;
- railroad locomotives and rolling stock;
- steam boiler, steam turbine, steam engine, flywheel, auxiliary pressure vessel, including piping thereto, or furnace;
- underground machinery or equipment, or machinery or equipment while located underground, except while located in enclosed structures that are located below ground level but not completely underground; or
- waterborne machinery or equipment, except waterborne machinery or equipment on ferries operated in connection with railroads or on public ferries operating on scheduled routes.
- any other property not covered by this policy.

Mobile Communication Property

Mobile communication property means:

- cellular telephone;
- laptop computers;
- pagers;
- personal digital assistants;
- mobile hand held global positioning systems; and
- other hand held communication devices.

Mobile communication property does not mean:

- **electronic data processing equipment;**
- **electronic data;**
- **communication property;**
- contractors' machinery and equipment, including accessories, tools and spare parts; or
- mobile machinery and equipment, including accessories, tools and spare parts.

Newly Incepted Lease Agreements Report

Newly Incepted Lease Agreements Report means a written report that details newly incepted leases for the report time period. This report shall specify for each lease agreement:

- Name of the Lessee;
- Lease Agreement Reference Number;
- Value at Risk for each Asset;
- Asset Categories;
- Lease Term;
- Lessee address including postcode;
- Lease Type;
- Lease Payment Frequency;
- Lessor Brand;
- Lease Start and End Date;
- Lease Last Payment Date;
- Lease Next Payment Date; and
- Lease Billing Type.

Occurrence

Occurrence means:

- A. for earthquake, including any resulting tsunami:
 - 1. one earthquake, or
 - 2. a series of earthquake shocks occurring within any period of 168 hours;
- B. for volcanic eruption:
 - 1. one volcanic eruption; or
 - 2. a series of volcanic eruptions occurring within any period of 168 hours;
- C. for windstorm involving, in whole or in part, any of the perils of weather:

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1. one weather event; or
 2. a series of related weather events; or
- D. for all other perils:
1. one event; or
 2. a series of causally related events that:
 - a. contribute concurrently to; or
 - b. contribute in any sequence to;

the loss or damage.

For the purposes of this definition, earthquake does not include a **specified peril** that ensues from earthquake; and any earthquake or volcanic eruption, or series of earthquake shocks or volcanic eruptions, will be deemed to occur at the time of the first shock or eruption.

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| <i>Plant and Machinery</i> | <p>Plant and Machinery means the following:</p> <ul style="list-style-type: none">• Tractors, hay tools, tillage, planters, drills, wagons, discs, grinders/mixers, spreaders/fertilisers;• Materials handling, loaders, loadalls, tipper bins, scissor lifts;• Swathers, windrowers, balers, slashers;• Bulldozers, excavators, graders, backhoes, skid steers, earthmoving; equipment, rollers, mowers, scrapers;• Mobile irrigation equipment;• Sprayers. |
| <i>Pollutants</i> | <p>Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.</p> <p>Pollutants does not mean fungus.</p> |
| <i>Reconciled Lease Agreements Report</i> | <p>Reconciled Lease Agreements Report means a written report that details:</p> <ul style="list-style-type: none">• Lease agreements previously reported in any un-reconciled Newly Incepted Lease Agreements Report for which coverage remains in effect; <p>Lease agreements previously reported in any Newly Incepted Lease Agreements Report that are subsequently cancelled in accordance with the Cancellation of Individual Lease Agreements Condition;</p> <p>This report must specify for each lease agreement:</p> <ul style="list-style-type: none">• Name of the Lessee;• Lease Agreement Reference Number;• Values at Risk; and• Effective and Expiration Date of the Lease Agreement. |
| <i>Renewal Term</i> | <p>Renewal term means the renewal or holding over term, if applicable, following the initial lease term of a lease agreement</p> |
| <i>Renewed Lease Agreement Report</i> | <p>Means a written report that details Lease Agreements previously reported in the Reconciled Lease Agreements Report and which have entered renewal or holding over terms after the initial term of the lease agreement and for which insurance remains in place.</p> <p>Unless prior written approval has been provided by us, insurance will not be automatically extended to such Lease Agreements if claims paid during the Initial Term exceed 65% of the net premium received by us during the Initial Lease Term.</p> |
| <i>Securities</i> | <p>Securities means:</p> <ul style="list-style-type: none">• all negotiable and non-negotiable instruments or contracts that represent either money or other property held by you in any capacity;• revenue and other stamps in current use;• tokens; |

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- tickets; and
- property of others that you hold as a pledge or as collateral for a loan.

Securities does not mean **money**.

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| <i>Sinkhole Collapse</i> | <p>Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.</p> <p>Sinkhole collapse does not mean:</p> <ul style="list-style-type: none">• the cost of filling land; or• the sinking or collapse of land into man-made cavities. |
| <i>Specified Peril</i> | <p>Specified peril means:</p> <ul style="list-style-type: none">• aircraft or self-propelled missiles;• explosion;• fire;• leakage from fire protection equipment;• lightning;• mine subsidence;• riot or civil commotion;• sinkhole collapse;• smoke. |
| <i>Stipulated Loss Amount</i> | <p>Stipulated loss amount means the outstanding capital value of lost or damaged leased property at the time of loss or damage, as set out in your accounting records.</p> <p>Stipulated loss amount does not include arrears or any values as are agreed to by you and us.</p> |
| <i>Theft</i> | <p>Theft means the unlawful taking and carrying away of leased property with intent to deprive the rightful owner of that property.</p> |
| <i>Water</i> | <p>Water means water that:</p> <ul style="list-style-type: none">• escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided that such water is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems;• backs up or overflows through sewers, drains or sump;• seeps or leaks through basements, foundations, roofs, walls, floors or ceilings of any building or other structure; or• enters doors, windows or other openings in any building or other structure. |
