

Musical Equipment Policy

MIB is A Wholly Owned Trading Entity of:

WSC INSURANCE BROKERS PTY. LIMITED

AFS Licence No. 238854 A.B.N. 31 002 507 637
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Product Disclosure Statement and Policy Wording

The insurer of this Musical Equipment Policy insurance is Wesfarmers General Insurance Limited ABN 24 000 036 279 AFS Licence No. 241461, trading as Lumley Insurance.

This document contains important information about this insurance and how it works. Before making a decision to take up this insurance, please read this document carefully.

To determine if this insurance is appropriate for You, it is important that You read:

- This Introduction and the Important Information section – these contain information on some important matters You need to be aware of before applying for this insurance.
- The Policy wording – it sets out the terms of the insurance contract, including its conditions and exclusions.
- Any other documents We provide to You about the insurance which set out details relevant to You and may change the standard cover.

This Product Disclosure Statement (PDS) is dated 25 September, 2012.

IMPORTANT INFORMATION

1. Who is the Insurer

The insurer of this Musical Equipment Master Policy insurance is Wesfarmers General Insurance Limited, ABN 24 000 036 279, AFS Licence No. 241461, trading as Lumley Insurance.

Our Head Office is located at:

Lumley House

Level 9, 309 Kent Street

Sydney NSW 2000

Phone: [\(02\) 9248 1111](tel:(02)92481111)

E-mail: general@lumley.com.au

2. Who is The Musicians Insurance Broker

The Musician's Insurance Broker, a trading name of WSC Insurance Brokers Pty Limited, ABN 31 002 507 637, AFS Licence No. 238854, (the Broker) is an insurance broking organisation which specialises in arranging insurance for musicians. The Broker is authorised by Lumley Insurance to arrange, enter into, vary, renew, or cancel contracts of insurance. In all aspects of the Policy, the Broker acts as an agent for Lumley Insurance and not for You. Any advice of any nature provided by the Broker to you is provided under the Australian Financial Services License of the Broker.

If you need information about this insurance in the first instance, please contact The Musician's Insurance Broker. Their contact details are on the front page of this PDS.

3. Entering into the Policy with Us

Where We have agreed to insure You, We confirm this by issuing You with a Schedule of Insurance which provides details relevant to You such as Sums Insured, Premium and Excesses.

The Policy, which is Your contract with Us, is entered into on the basis of the information provided

by You in the application process. Please ensure You have complied with Your Duty of Disclosure as this can affect Your ability to claim.

The Policy is entered into on the condition that You will pay the Premium required by Us by the agreed time (including any adjustments).

Your Premium also includes amounts that take into account Our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example Stamp Duty, GST and Fire Services Levy).

The Policy is made up of:

- this document;
- the Schedule of Insurance;
- any endorsements to the Policy issued by Us.

You need to:

- read these documents together as they set out all of the terms and conditions of Your cover;
- check them to make sure that the cover given is what You want;
- keep them together and in a safe place for future reference along with receipts and other evidence of ownership and value of items You have specified on the proposal form.

If You do not meet Your obligations under the Policy, We may cancel it and/or reduce Our liability in respect of a claim to the extent permitted by law.

We only provide general product advice and have not taken account of Your personal circumstances with regard to this insurance.

4. Duty of Disclosure

Before You enter into the Policy with Us, You have a duty under the Insurance Contracts Act 1984 (Cth) to disclose to Us anything that You could reasonably be expected to know is relevant to Our decision whether to accept the risk of insurance and, if so, on what terms.

The Act imposes a different duty the first time You enter into the Policy with Us, to that which applies when You renew, extend, vary, reinstate or replace it.

Your Duty of Disclosure when You enter into the Policy with Us for the first time:

We ask You various questions when You first apply. When You answer those questions, You must:

- give Us honest and complete answers;
- tell Us everything You or a reasonable person in the circumstances could be expected to know, which is relevant to Our decision whether to accept the risk of the insurance.

Your Duty of Disclosure when You renew, extend, vary, reinstate or replace the Policy:

When You renew, extend, vary, reinstate or replace the Policy Your duty is to disclose to Us before the renewal, extension, variation or reinstatement, every matter that You know, or a reasonable person in the circumstances could be expected to know, is relevant to Our decision whether to accept the risk of insurance and, if so, on what terms.

What You do not need to tell Us for either duty:

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by Us;
- that is of common knowledge;
- that We know or, in the ordinary course of business, We ought to know;
- as to which compliance with Your duty is waived by Us.

Who does the Duty of Disclosure apply to:

The Duty of Disclosure applies to You and everyone that is an insured under the Policy. If You provide information for another insured, it is as if they provided it to Us.

What happens if the Duty of Disclosure is not complied with:

If You fail to comply with Your Duty of Disclosure, We may be entitled to reduce or refuse to pay a claim or cancel the Policy. If a breach of the Duty of Disclosure is fraudulent, We may be able to treat the Policy as if it never existed and won't have to pay any claim.

5. Summary of Cover

This policy provides cover in respect of any event occurring during the Period of Insurance and within the Geographical Limits, which causes Accidental Loss or Damage to, or theft of, Your Equipment while Your Equipment is in transit, in use or in storage. Cover under this policy is subject to its terms, conditions and exclusions. Please refer to the policy wording for full details of the terms, conditions and exclusions.

6. Other party's interests

We only cover persons specified in the Policy as entitled to cover for the relevant interest specified. If You want to cover a person's interest that is not specified You need to apply to Us for this.

7. Cooling off

If You are not completely satisfied with the Policy You may cancel it by notifying Us in writing within 30 days of cover having commenced. You will receive a refund of the amount You have paid unless You have made or are entitled to make a claim under the

Policy. You still have cancellation rights after this Cooling Off period ends which are set out in the General Conditions.

8. General Insurance Code of Practice

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice, which is a self regulatory code for use by all insurers. The Code aims to raise the standards of practice and service in the insurance industry.

We are a signatory to the Code. If You require further information about the General Insurance Code of Practice, please contact Us.

9. Complaints Procedure

If You have a complaint You may contact Us and request that We review the matter. If You are dissatisfied with our decision You may request it be reviewed by Our Internal Dispute Resolution (IDR) Committee.

If You are unhappy with Our decision You may refer Your dispute to the Financial Ombudsman Service (FOS). The FOS is a free and independent external dispute resolution scheme for consumers approved by the Australian Securities and Investment Commission for disputes. The scheme applies to matters that are covered by the FOS' Terms of Reference. We are a member of this scheme and We agree to be bound by the FOS' determinations on disputes but You are not so bound. If You wish Your dispute to be determined by the FOS, You must refer Your dispute to the FOS within 2 years of the date of Our final IDR response. You may refer the matter to the FOS by contacting them at:

Financial Ombudsman Service
GPO Box 3
Melbourne Victoria 3001
Tel: 1300 78 08 08
Email: info@fos.org.au
Website: www.fos.org.au

10. Cost of Insurance

The insurance provided is subject to your payment or agreement to pay the Premium we require by the agreed time. In order to calculate your Premium, we take various factors into consideration, including the Sums Insured requested by you and your previous insurance history.

Factors that increase the risk to us generally increase the Premium (e.g. high claims experience or higher Sum Insured) and factors that reduce the risk to us generally reduce the Premium (e.g. low claims experience or lower Sums Insured).

Your Premium also includes amounts that take into

account Our obligation (actual or in some cases estimated) to pay any relevant compulsory government charges, taxes or levies (for example, Stamp Duty, GST and any Fire Services and/or Fire and Emergency Services Levy where applicable) in relation to Your Policy.

Where We are required to pay an estimated amount (eg. for Fire Services Levies) based on criteria set by the Government, We allocate to the Policy Our estimate of the amount We will be required to pay. We may under or over recover in any particular year but We will not adjust Your Premium because of this. You can ask Us for more details if You wish.

When You apply for this insurance, You will be advised of the total amount payable, when it needs to be paid and how it can be paid. This amount will be clearly set out in Your Schedule, which will be sent to You within 5 days of the issue of this product. If You fail to pay, We may reduce any claim payment by the amount of Premium owing and/or cancel the Policy.

11. Privacy

We are bound by the National Privacy Principles (NPPs) and comply with the *Privacy Act 1988 (Cth)*. We are committed to ensuring that all our business dealings comply with the NPPs and acknowledge the importance of keeping personal details for individuals confidential and secure.

Collection

We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling.

Disclosure

When necessary, we may disclose your personal information to and/or collect your personal information from:

- other companies within the same Group;
- other insurers, financial institutions, insurance and claims reference agencies, credit agencies, loss assessors, financial or investigative service providers;
- service providers including: mail delivery, information technology, research and development, customer research, imaging and document management, legal and other professional service providers;
- government, law enforcement or statutory bodies, where required by law;
- dispute resolution service providers, such as the Financial Ombudsman Service; and
- hospitals, medical and health professionals.
- Where you are an insured person and not the policyholder, we may disclose your personal information to the policyholder.

Disclosure overseas

There are also instances where we may have to send your personal information overseas or collect personal information from overseas. These instances include:

- sending your personal information to companies in the same Group;
- when you have asked us to do so;
- when we are authorised or required by law to do so;
- when we have outsourced a business activity or function to an overseas service provider with whom we have a contractual arrangement; or
- We will only send your personal information overseas or collect personal information about you from overseas for the purposes in this statement and in compliance with the privacy regime.

Use

We use and disclose your personal information for the purposes providing insurance, including arranging insurance, policy administration, claims handling and dispute resolution.

We may also use and disclose your personal information for a secondary purpose related to the purpose for which we collected it, where you would reasonably expect us to use or disclose your personal information for that secondary purpose. In the case of sensitive information, any secondary purpose, use or disclosure will be directly related to the purpose of collection.

When we disclose personal information to third parties we limit their use and disclosure to the specific purpose for which we supplied it. By providing personal information to Us or Our agent, You consent to Us making these disclosures.

Without Your Personal information, We may not be able to provide You with the services You require.

When You give Us personal information about other individuals, We rely on You to have made or make them aware that You will or may provide their information to Us and the types of third parties We may provide it to, the relevant purposes We and the third parties will use it for, and how they can access it. If You have not done or will not do either of these things, You must tell Us before You provide the relevant information.

If You require a copy of Our Privacy Statement, the full Privacy Policy, or further information, please contact Your nearest Lumley office and ask for the Compliance Manager or visit our website at www.lumley.com.au.

Access

You can request access to, and if applicable the correction of, the personal information we hold about

you by contacting us. A fee may be charged to cover the cost associated with providing access.

In some circumstances, we are able to deny your request for access to personal information. If we deny your request for access, we will tell you why.

12. Goods and Services Tax (GST)

All amounts insured by the Policy are set in accordance with the advice you have given to us regarding your GST status and the GST status of items to be insured.

We will not be liable to pay any GST, or any fine, penalty or charge that You are liable for arising out of Your misrepresentation of, or failure to disclose, Your proper input tax credit entitlement on the Premium relating to the Policy.

In respect of Your Policy with Us where You are registered for GST purposes, You should calculate Your proposed Sums Insured with reference to the GST status of each item of property to be insured. Depending on the GST status of each item of property to be insured, the Sums Insured may or may not include a GST component. An amount for GST should only be included in the Sum Insured if the item of property to be insured is not used 100% for business use. All items of property used 100% for business use should be insured on a GST exclusive basis.

This outline of the effect of the GST on Your Policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to Your particular circumstances.

13. Terrorism Insurance Act 2003 (Cth)

This Policy excludes cover for losses as a result of Terrorism.

In the event that damage to property occurs and the cause of the damage is declared a terrorist incident by the responsible Minister, then You may be afforded protection within the limits of indemnity of this Policy by virtue of the Terrorism Insurance Act 2003. The operation of this Act may also serve to reduce the settlement of Your loss to a percentage of the otherwise recoverable loss. In the event that the settlement is reduced then this will be at the direction of the Minister.

A more detailed explanation of the operation of the Terrorism Insurance Act 2003 can be obtained at www.arpc.gov.au.

14. Underinsurance

It is Your responsibility to ensure that the Sums Insured for your property are adequate. Sums

Insured should reflect the new replacement value of property. If Sums Insured are not adequate, claims may not be paid in full.

You should review the adequacy of Sums Insured periodically during the Period of Insurance and prior to renewal each year. Inadequacy of Sums Insured can present significant issues of financial hardship. If You are unable to establish the adequacy of Sums Insured, You should seek assistance from Your insurance adviser.

15. Excess

The Excess is the amount which you must pay if you have a claim. It applies to each event causing loss or damage to Your Equipment. Any Excess you must pay will be shown on your Schedule or elsewhere in the Policy.

16. Claim Payment Examples

The following examples are designed to illustrate how a claim payment might typically be calculated. The examples do not cover all scenarios or all benefits and do not form a part of the policy terms and conditions. They are a guide only.

Claim Example – Loss or Damage to Equipment (Total Loss Cash Settlement)

Your guitar is insured for \$1,000 exclusive of GST. An excess of \$100 is applicable to the cover for your guitar. Your guitar is stolen from securely locked premises. We agree to pay you the replacement cost or insured value, whichever is the lesser. The amount we pay you is:

\$1000 less
excess of \$100

Total Claim Payment: \$900

Claim Example – Loss or Damage to Equipment (Repair)

Your guitar is insured for \$1,000 exclusive of GST. An excess of \$100 is applicable to the cover for your guitar. Your guitar is accidentally dropped while it is being used. We determine that the cost of repairs is \$500. We appoint the repairer and pay the repair cost of \$500. You pay the excess amount of \$100 to us.

17. Updating our Product Disclosure Statement

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue you with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this

information in other forms or keep an internal record of such changes (you can get a paper copy free of charge by calling us).

Other documents may form part of our PDS and Policy. If they do we will tell you in the relevant document.

18. Financial Claims Scheme

This Policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) and only applies in the event of an insurer becoming insolvent and the Federal Treasurer declaring that the FCS will apply to that insurer.

Payment of a claim under the FCS is subject to the Scheme's eligibility criteria being met.

Information about the FCS can be obtained from the Australian Prudential Regulation Authority at www.apra.gov.au or by calling 1300 13 10 60.

DEFINITIONS

Some words have special meaning wherever they appear in this policy. These words and their meanings are listed below. The singular shall include the plural and vice versa.

"You" or **"Your"** – means the insured(s) or client(s) named on the Schedule of Insurance.

"Insurer" or **"Underwriter"** or **"we"** or **"our"** or **"us"** – means the insurer of the Policy, Wesfarmers General Insurance Limited A.B.N. 24 000 036 279, trading as Lumley Insurance.

"Accidental Loss or Damage" - means a sudden unforeseen event or happening causing physical loss or damage which is unexpected and unintended. Accidental Loss or Damage will include loss due to fire or theft of Equipment. Physical loss or damage will not include loss or damage to electronic data, software or coding programme unless as a direct result of physical damage which is otherwise insured by this Policy.

"Consequential Loss" – means the loss of income and the additional costs of working which result from the interruption of Your Business caused by the events covered by this policy.

"Equipment" – means the musical equipment, accessories and/or similar items specified and valued in the Schedule of Insurance.

"Excess" - means the amount you contribute towards the cost of a claim as noted on the Schedule of Insurance or elsewhere in the policy.

"Flood" – means the inundation of normally dry land by water escaping or released from the normal

confines of any:

- a) natural watercourse or lake (whether or not altered or modified);
- b) any reservoir, canal, dam, or other water channel or waterway whether altered, modified or purpose-built.

“Geographical Limits” – means anywhere in the world.

“Period of Insurance” – means the time cover commences to the time cover expires. The dates are shown on the current Schedule of Insurance. Cover commences at the time agreed by WSC Insurance Brokers and expires at 4.00pm on the day specified in the Schedule as being the date of expiry.

“Musical Equipment Provider” means a retailer or wholesaler who we determine is a specialist provider of musical equipment.

“Schedule of Insurance” – means the most current policy schedule, including any endorsements issued by Us in connection with this policy.

“Sum Insured” – means the amount specified against each item of equipment in the Schedule of Insurance.

THE COVER

We agree, in consideration of the payment to us by or on behalf of You of the premium as specified in the Schedule of Insurance, to indemnify You, up to the Sum Insured, in respect of any event occurring during the Period of Insurance and within the Geographical Limits, which causes Accidental Loss, Damage or Theft to/of Your Equipment while Your Equipment is in transit, in use or in storage. This indemnity is provided on the basis that the mode of transport conveying your Equipment or the building storing your Equipment, are at all times securely locked when not in use or not attended and that all Equipment is properly packed and protected for the normal risks of transit.

ADDITIONAL COVER

Additional Items

Additional items not appearing on the Schedule of Insurance that are purchased from a Musical Equipment Provider will automatically be covered for a period of (7) days from the date of purchase. The maximum we will pay for Accidental Loss or Damage to any such additional items is \$5,000.

Hire Substitute Equipment

We will pay the reasonable costs of hiring equipment of similar type to the Equipment that has been lost or damaged, pending replacement of the lost or

damaged Equipment. We will pay these reasonable costs for the lesser of a period of one month from the date of the Accidental Loss or Damage or to the date your Equipment is repaired or replaced or we pay you the cost of the repair or replacement. The maximum amount we will pay for the additional cover is 20 per cent of the Sum Insured of the lost or damaged Equipment.

EXCLUSIONS

This policy does not cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

1. Flood;
2. Rainwater run-off over the surface of the land, unless caused by water escaping from any pipe, water or drainage system destroyed or damaged by a storm or caused by blockage, failure or inadequacy of any stormwater drain or street gutter;
3. Actions of the sea, tidal wave, sea spray or high water;
4. Water damage to Equipment or any other item insured by this policy, resulting from exposure to the open air outside the limits specified by the manufacturer of the Equipment or item;
5. Theft or misappropriation of Equipment or any other item insured by this policy by hirers or employees;
6. Theft without forcible and violent entry to a securely locked premises or motor vehicle;
7. Wear and tear, gradual deterioration, fading, or developing flaws, normal upkeep or making good or from any process of cleaning, repairing, or restoring any article;
8. Electrical, mechanical or digital malfunction of any Equipment or other item insured by this policy;
9. Breakage of valves and/or transistors or any computerised components, specified in the Schedule of Insurance, or electronic working parts or digital parts that form part of the working body of the Equipment or any other item insured by this policy, unless such breakage is caused by fire or the actions of thieves, or the breakage occurs simultaneous to other Accidental Loss or Damage to the Equipment or any other item insured by this policy;
10. Breakage of any strings and/or reeds and/or drum heads;
11. Any Consequential Loss or consequential

damage;

12. Climatic or atmospheric conditions or extremes of temperature, including permeation of dust or foreign particles in Equipment or any item insured by this policy;
13. Strikes, riots, civil commotions, civil disturbances assuming the proportions of or amounting to a popular rising, military rising, martial law or the act of any lawfully constituted authority;
14. Seizure or destruction under quarantine or customs regulations, confiscation, nationalisation or requisition or destruction of or damage to property by or under the order of any government, public or local authority, or handling of contraband or illicit trade or transportation;
15. Faulty materials or faulty workmanship;
16. Fraudulent or dishonest acts, fraudulent misappropriation, embezzlement or forgery;

This policy does not cover:

1. Any stock in trade held in a retail store, free or bonded warehouse or any other place of storage;
2. Your Equipment or any other item insured policy, if it has been left in any premises which have become unoccupied for a continuous period in excess of sixty (60) days;
3. Denting or scratching of equipment caused by normal wear & tear or ageing.

GENERAL EXCLUSIONS

1. Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause 10/11/03

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

- (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- (c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or

radioactive force of matter;

- (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- (e) any chemical, biological, bio-chemical, or electromagnetic weapon.

2. Internet Operations

Notwithstanding any provision to the contrary contained within the Policy, the Policy does not insure legal liability directly or indirectly caused by or arising from your Internet Operations.

Internet Operations means any of the following:

- a) use of electronic mail systems by you, your Employees or by any other person with your permission; or
- b) access through your network to the World Wide Web or a public internet site by you, your Employees or by any other person with your permission; or
- c) access to your intranet (meaning internal company information and computing resources) which is made available through the World Wide Web; or
- d) the operation and maintenance of your web site. This exclusion will not apply to legal liability arising out of any material which is already in print by a manufacturer in support of its products which is also reproduced on your web site, but the exclusion will apply to any other advice or information located on your site that is used for the purpose of attracting customers.

For the purposes of this Exclusion, "employee" means any person engaged under a contract of service or apprenticeship with you.

3. War and Terrorism Exclusions

This Policy does not insure death, injury, illness, loss, damage, cost or expenses of any nature directly or indirectly caused by, resulting from, or in connection with, any of the following regardless of any other contributing cause or event:

- a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to any uprising, military or usurped power;
- b) any act of Terrorism.
- c) For the purpose of this Exclusion, Terrorism means an act including but not limited to the use or threat of force or violence by any person or

group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.

- d) This Policy also excludes death, injury, illness, loss, damage, cost or expenses 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, the above Exclusions.

4. Electronic Data Exclusion

This Policy does not insure loss or damage caused by:

- a) the unavailability of data and/or malfunction of hardware or embedded chips,
- b) any business interruption losses resulting there from.

Provided that this exclusion shall not apply where such loss or damage occurs as a direct result of physical damage which is otherwise insured by this Policy.

Claims Settlement Clause

Provided that our liability shall in no case exceed the Sum Insured or other limits stated in the policy, in respect of each item of Equipment or any other item insured by the policy, We will, at our option:

- a) replace the item with a new item, being of the same model or the nearest equivalent available;
- b) repair the item to a condition equal to but not better or more extensive than its condition immediately prior to the loss;
- c) pay you the cost of such replacement or repair, whichever is the less.

Automatic Reinstatement of the Sum Insured for Partial Losses

Each claim for loss or damage to Your Equipment reduces the sum insured for such Equipment.

Where you have sustained partial loss or damage to or of Your Equipment, We will automatically reinstate the sum insured after that partial loss or damage; but should You sustain a total loss of Your Equipment then no such automatic reinstatement will occur.

GENERAL CONDITIONS

1. Your Responsibilities

We may refuse to pay if:

- a) you do not do comply with your duty of disclosure, or
- b) in applying for this insurance or when making a claim, you:
 - I. are not truthful,
 - II. have not given us accurate and complete information, or
 - III. have not told us something when you should have.
- c) you or anyone acting on your behalf uses fraud, or any fraudulent means or devices to obtain any benefit under this insurance.
- d) you do not at all times take reasonable measures to protect your equipment by minimising the risks of theft, or loss or damage caused by any of the events insured against.

2. Cancelling Your Policy

This Policy may be cancelled at any time at Your request in which case we may retain the following customary short period rate minus agent fees or commissions for the time the Policy has been in force:

- a) 1-3 months cover = 35% of annual premium
- b) 3-6 months cover = 50% of annual premium
- c) 6-9 months cover = 75% of annual premium
- d) 9-12 months cover NO REFUND will apply.

We may cancel this Policy in any of the circumstances permitted by law by informing You in writing. We will give You this notice in person or send it to Your address last known to Us, and if appropriate, will refund a rateable proportion of the premium paid applicable to the unexpired period of the Policy.

3. Excess

You will have to contribute the following Excess in the event of a claim:

- a) \$100 or the amount shown on the Schedule of Insurance, whichever is the greater, each and every loss;
- b) **An additional \$250 for all claims for theft from a motor vehicle.**

4. Claims

Your responsibilities when making a claim are described below. These responsibilities also apply to anyone seeking cover under Your policy. If these responsibilities are not met, we may not pay a claim in full, or at all.

If there is any loss or damage likely to give rise to a claim under this policy, You must, at Your expense:

- a) Give Us **IMMEDIATE** notice with full particulars of any loss or damage.
- b) Take all reasonable precautions to prevent

- further loss or damage.
- c) **IMMEDIATELY** inform the police of any malicious damage, theft, attempted theft, or loss and **WITHIN 30 DAYS** after the event give Us, or anyone We have appointed to deal with Your claim, a written statement of all details, particulars and proof of the claim as we may reasonably require, together with details of any other insurance effected by You or on Your behalf, in respect of the item that is the subject of the claim.
 - d) Co-operate fully with Us. This may include providing Us with all the information, documents and help we need to deal with Your claim.
 - e) Where requested by Us, provide proof of ownership of Your Equipment or any other item insured by this policy. This may include providing receipts, valuations, model and serial numbers.
 - f) Keep the item that has been damaged so we can inspect it;
 - g) You must not incur any costs or expenses or authorise repairs without our consent.

5. Goods and Services Tax (GST)

When We pay a claim, Your GST status and the GST status of the property which is the subject of the claim, will determine the amount We pay.

When You are:

- a) not registered for GST, the amount We pay is the Sum Insured/limit of indemnity or the other limits of insurance cover including GST;
- b) registered for GST and the property which is the subject of the claim is used 100% for business use, We will pay the Sum Insured/ limit of indemnity or the other limits of insurance less any relevant GST component, including but not limited to, any input tax credit to which You are entitled for any acquisition which is relevant to Your claim, or which You would have been entitled were You to have made a relevant acquisition.
- c) registered for GST and the property which is the subject of the claim is used 100% for personal use, the amount We pay is the Sum Insured/limit of indemnity or the other limits of insurance cover including GST;
- d) registered for GST and the property which is the subject of the claim is used for business and personal use, We will pay the Sum Insured/limit of indemnity inclusive and exclusive of any relevant GST component with reference to the percentage of personal use and the percentage of business use of the item that is the subject of the claim.

You must advise Us of Your correct entitlement to an input tax credit on your Premium and the correct entitlement to an input tax credit on each item of property to be insured. Should the item of property which is the subject of the claim be used for both

personal and business use, any amounts we pay will be in accordance with the percentage of personal and business use.

Any GST liability arising from Your incorrect advice is payable by You.