

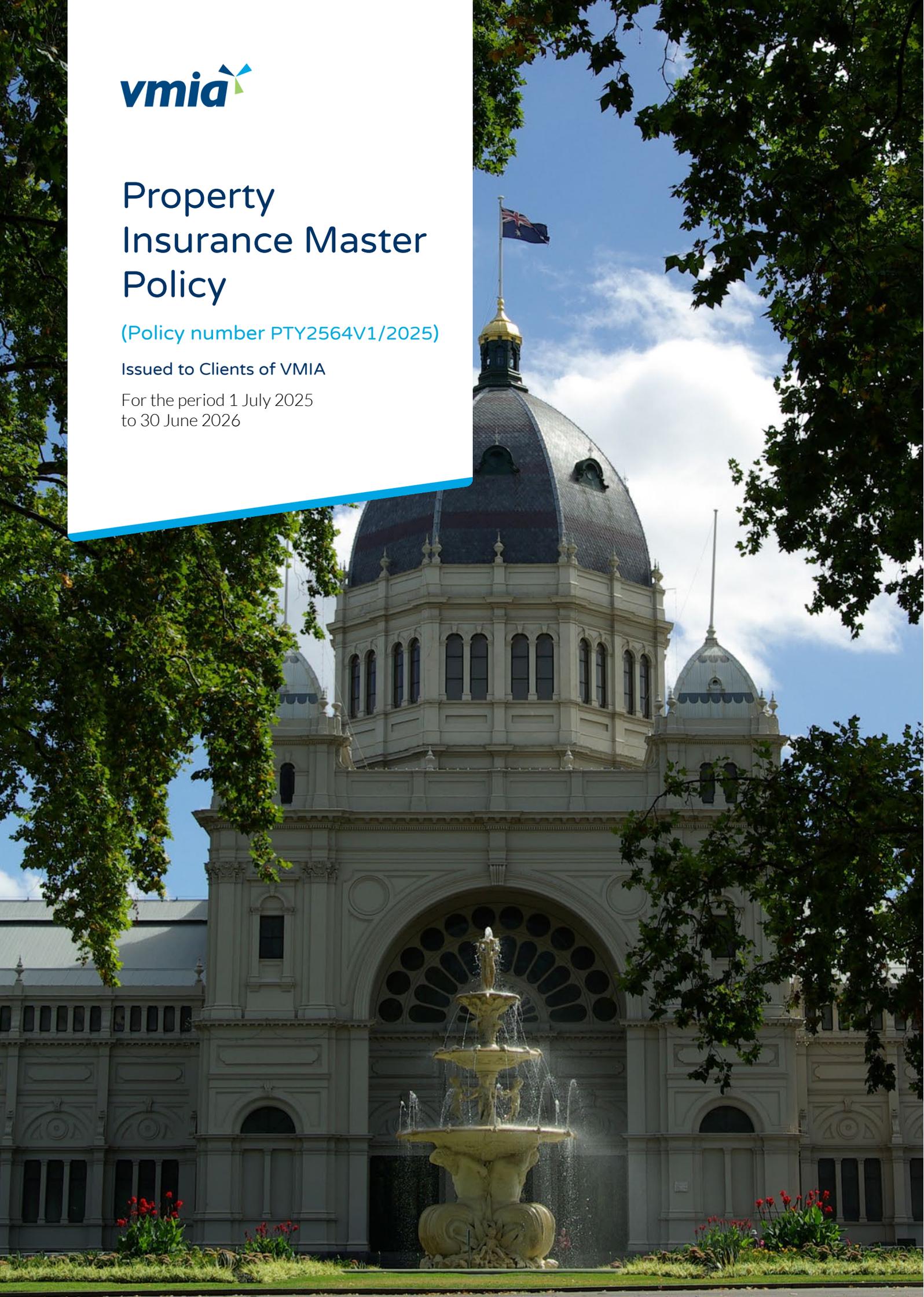


Property Insurance Master Policy

(Policy number PTY2564V1/2025)

Issued to Clients of VMIA

For the period 1 July 2025
to 30 June 2026



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1. Section 1 – Property Damage

1.1 What is covered

1.1.1. Primary cover

VMIA will pay the Insured for Damage to Insured Property occurring during the Policy Period and happening at the Situation as stated in the Policy Schedule caused by or resulting from a cause not otherwise excluded.

VMIA will settle the Insured's claim in accordance with section 4 'How VMIA will pay – Section 1 – Material loss or damage'.

1.1.2. Fraud, Dishonesty or Extortion

VMIA will also pay the Insured for:

- (a) Financial Loss sustained by the Insured arising from the illegal use of a credit card by an unauthorised person and from identity fraud discovered during the Policy Period;
- (b) Financial Loss caused by Employee dishonest acts or non Employee fraud arising from the electronic transfer of funds from the Insured's bank account to a bank account not controlled by the Insured;
- (c) Loss of Insured Property caused by Employee dishonesty acting alone or in collusion with others and committed and discovered during the Policy Period;
- (d) Financial Loss arising from extortion or computer violation threats made by a third party to the Insured during the Policy Period, unless otherwise insured by VMIA; and
- (e) Loss of Insured Property caused by non Employee fraud and forgery committed and discovered during the Policy Period;

provided the loss has not been caused by or resulted from a cause excluded under this Policy.

VMIA will settle the Insured's claim in accordance with section 4 'How VMIA will pay - Section 1 - Material loss or damage.' VMIA will pay no more than the amount specified as the Sub-Limit of Liability stated in the Policy Schedule for any one loss or series of losses arising out of any one event.

1.2 Extensions - Primary Cover

VMIA also provides the following extensions of cover where Damage to the Insured Property has taken place in circumstances which satisfy clause 1.1.1.

VMIA will pay the Insured for:

1.2.1. Accounts receivable records

- (a) all sums due to the Insured from debtors, where the Insured cannot collect sums owing because of Damage to records of accounts receivable;
- (b) all interest charges at bank rates applicable at the time of loss on any loan to offset impaired collections pending repayment of such amount(s) rendered uncollectible as a result of such Damage to records of accounts receivable;
- (c) all interest lost by the Insured as a consequence of such impaired collections;
- (d) additional expenditure incurred in tracing and establishing the amount(s) of accounts receivable; and
- (e) collection costs and expenses in excess of normal collections costs and expenses made necessary because of such Damage.

1.2.2 Coverage for Emergency Services Resource Providers

An **Emergency Services Resource Provider** is considered an **Insured** to the extent that they agree to a **Supply Period** with the **Control Agency**.

Under this clause 1.2.2, **VMIA** will indemnify the **Insured** in accordance with insuring clause 1.1.1.

For the purposes of this extension,

- i. **Control Agency** means the named insured to this policy to the extent they have been appointed or deemed as appointed under the Emergency Management Act 1986.
- ii. **Eligible Emergency** means an emergency as defined in the Emergency Management Act 1986 and the State Emergency Management Plan, the response to which is handled by a **Control Agency**, and which emergency is due to the actual or imminent happening of an **Occurrence** or the manifestation of circumstances which harms or endangers, or threatens to harm or endanger, the safety or health of persons in Victoria or which destroys or damages, or threatens to destroy or damage, property in Victoria or an element of the Victorian environment. For the purpose of this insurance **Eligible Emergency** includes subsequent urgent post event activities where insurance cover is not otherwise available.
- iii. **Emergency Services Resource Provider** means:
 - a. the Commonwealth of Australia and any State of the Commonwealth of Australia, including any agency or instrumentality thereof having an emergency response function; or
 - b. a company or person who supplies, for the purposes of responding to an **Eligible Emergency**, labour, professional services or **Equipment** but does not include:
- iv. a company which or person who, prior to the happening of an **Eligible Emergency**, is under an obligation (whether contractual or statutory) to supply or make available for reward labour, professional services or **Equipment** for use in connection with or the purposes of, inter alia, an **Eligible Emergency**; or
- v. a volunteer emergency worker as defined in the Emergency Management Act 1986.
- vi. **Equipment** means plant, (including scaffolding, temporary structures and portable buildings), machinery and equipment.
- vii. **Supply Period** means in relation to each **Insured** the period during which that **Insured** supplies or makes available, pursuant to a request by or on behalf of a **Control Agency**, labour, professional services or **Equipment** which is or are under the control and direction of a **Control Agency** for the purposes of responding to an **Eligible Emergency**. The **Supply Period** begins when the **Insured** supplies or makes available the labour, professional services or **Equipment** and ends when the personnel providing the labour, services and/or the **Equipment** return to the **Insured's** usual place of business or cease to be under the control and direction of a **Control Agency**, whichever is the earlier.

It is the responsibility of the **Control Agency** to pay any **Deductible** in relation to this extension. **VMIA** will pay up to the amount specified as the **Sub-Limit of Liability** stated in the **Policy Schedule**.

1.2.3. Machinery breakdown

The Policy extends to indemnify the Insured against machinery breakdown which means the actual breaking, seizing, deformation or burning out of any part of a Machine whilst in use arising from either mechanical or electrical or electronic defects in the Machine causing sudden stoppage of the functions thereof and necessitating repair or replacement before it can resume working.

1.2.4 Change in temperature

Damage to Stock resulting from a change in a temperature controlled environment due to mechanical, hydraulic, electrical, electro-mechanical or electronic breakdown of the temperature controlling equipment, accidental power failure or accidental shutdown of electricity for more than 12 hours.

1.2.5 Customs, excise and other duties

Customs, excise and other duties which the Insured may become liable to pay in the event of Damage to the Insured Property or the Insured's liability to compensate others who may become liable for such customs, excise or other duties.

1.2.6 Environmental upgrade

Additional costs incurred by the Insured in rebuilding, undertaking the repair or restoring the Damaged Insured Property using, or with, more environmentally friendly technology, products or materials that improve energy and water efficiency. This may include the upgrading of greywater and rainwater

systems, ventilation, lighting, hot water and heating systems. VMIA will only pay up to 20% more than the amount it would have paid if there was no upgrade.

1.2.7 Fire brigade charges, extinguishing expenses and cleaning up costs

- (a) reasonable and necessary costs and expenses incurred by the Insured for the purpose of extinguishing fire at or in the vicinity of the Insured Property or threatening to involve such Insured Property including Damage to gain access;
- (b) reasonable costs of replenishing fire-fighting appliances;
- (c) reasonable charges incurred for the purpose of shutting off the supply of water, electricity or gas following accidental discharge from any fire protective equipment; and
- (d) post-fire related costs including the cleaning or clearing up of Insured Premises not otherwise covered by this Policy.

1.2.8 Government and statutory fees

Fees and costs including Commonwealth and State government, local government or statutory authority fees incurred by the Insured to obtain consent to reinstate Insured Property. Such fees shall not include fines or penalties imposed on the Insured by any such authorities.

1.2.9 Landscaping

Damage to Landscaping located at the Insured Premises within 500 metres of damaged insured property.

1.2.10 Locks and electronic security

Reasonable and necessary costs and expenses incurred by the Insured as a result of the necessary replacement or adjustment of locks and electronic security passes and electronic security systems at the Insured Premises following the theft or loss of keys or electronic security access cards.

VMIA will also pay for the cost of opening safes or strong rooms following the loss of keys, access cards or combination.

1.2.11 Loss prevention expenses

Reasonable and necessary costs and expenses incurred by the Insured to protect the Insured Property at the Insured Premises from imminent further Damage, for every loss and in the aggregate in any one Policy Period, up to the amount specified as the Sub-Limit of Liability stated in the Policy Schedule.

1.2.12 Personal property tools and effects

- (a) Damage to personal property tools and effects of directors, visitors, Employees and volunteers whilst on the Insured Premises; and
- (b) Damage to property of welfare, sporting and social clubs, Customer goods and effects whilst on the Insured Premises,

provided that such personal property tools and effects are not otherwise insured.

The maximum amount payable is set out in the Sub-limit of Liability stated in the Policy Schedule.

1.2.13 Professional fees

Reasonable and necessary professional fees incurred by the Insured for, but not limited to, estimates, plans, specifications, quantity surveys, tenders and supervision incurred in reinstatement after Damage to Insured Property.

1.2.14 Removal of debris

Reasonable and necessary costs and expenses incurred by the Insured in:

- (a) the cleaning up, removal, storage and disposal of debris or the dismantling, demolishing, shoring up, propping, underpinning of the portion or portions of the Insured Property which have sustained Damage. The maximum amount payable is set out in the Sub-Limit of Liability stated in the Policy Schedule;
- (b) the cleaning up, removal, storage and disposal of debris or the dismantling, demolishing, shoring up, propping, underpinning of the wide area Damage sustained within 500 metres of the

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Damaged Insured Property. The maximum amount VMIA will pay is 15% of the Indemnity Value of the Insured Property;

- (c) the removal, storage or disposal of debris on premises, roadways, services, railway or in waterways owned, controlled or managed by others consequent upon Damage to the Insured Property that an Insured is legally required to undertake. Cover is not available in respect of assumed liability under contract and any liability incurred by the Insured as a consequence of Pollution; and
- (d) the demolition and removal of any Insured Property that is no longer useful for its intended purpose, providing such demolition and removal is necessary for the purpose of the reinstatement or replacement of the Insured Property.

1.2.15 Safety and temporary protection

Reasonable and necessary costs and expenses incurred by the Insured for making temporary repairs to Insured Property and the protection and safety of people pending repair or replacement of Insured Property.

1.2.16 Water tanks and pipes

Reasonable and necessary costs incurred by the Insured:

- (a) in locating and repairing burst or leaking water tanks, pipes or associated apparatus that are the cause of Damage to the Insured Property; and
- (b) in restoring the resulting Damage to the Insured Premises.

1.3 Extensions - Fraud, Dishonesty or Extortion

VMIA also provides the following extension of cover where the Insured has sustained loss in circumstances which satisfy clause 1.1.2.

1.3.1 Forensic investigation costs

VMIA will pay the Insured for reasonable and necessary costs and expenses incurred by the Insured in investigating loss arising from:

- (a) Employee dishonesty;
- (b) non Employee fraud/forgery;
- (c) electronic funds transfer;
- (d) credit card fraud and identity fraud; and
- (e) extortion and computer violation.

The most that VMIA will pay for any one loss is the amount specified as the Sub-Limit of Liability stated in the Policy Schedule.

1.4 Extensions - Combined

VMIA also provides the following extension of cover in circumstances which satisfy either of the clauses in section 1.1.

1.4.1 Claim preparation costs

VMIA will pay the Insured for reasonable and necessary fees, costs and expenses incurred by the Insured with the consent of VMIA, which shall not be unreasonably withheld, in the preparation of a claim under Section 1 of this Policy. Such fees and costs are part of the Limit of Liability and VMIA will pay no more than the amount specified as the Sub-Limit of Liability stated in the Policy Schedule for any one loss or series of losses arising out of one occurrence.

2. Section 2 – Consequential Financial Loss

2.1 What is covered

2.1.1 Primary cover

VMIA will pay the Insured for Financial Loss arising from the interruption of or interference with the Insured's Business as a result of Damage to Insured Property which occurs in circumstances which satisfy clause 1.1.1. Loss will be calculated in accordance with the applicable Basis of Settlement.

2.1.2 Access Denied

VMIA will pay the Insured for Financial Loss resulting from interruption of or interference with the Insured's Business in consequence of Damage to any property in the vicinity of any Insured Premises which prevents or hinders the access to or use of the Insured Premises.

2.1.3 Contingent Business Interruption

VMIA will pay the Insured for Financial Loss resulting from interruption of or interference with the Insured's Business in consequence of any threat to the physical safety of the public and imminent Damage as a result of that threat, which does not involve Damage to Insured Property but causes the access to the Insured Premises to be restricted or lead to a general denial of access to the area in which the Insured Premises are located.

2.1.4 Infectious or contagious diseases and closure of Insured Premises

VMIA will pay the Insured for Financial Loss resulting from interruption of or interference with the Insured's Business directly arising from the intervention of a public body authorised to deny and restrict access to the Insured Premises, directly arising from an occurrence or outbreak at the Insured Premises of the following:

- (a) a Notifiable Disease;
- (b) discovery of an organism likely to cause a Notifiable Disease;
- (c) injury or illness sustained by any persons from food or drink poisoning;
- (d) discovery of vermin or pests;
- (e) an accident causing defects in the drain or sanitary arrangements; and
- (f) murder or suicide.

2.1.5 Public Authority

VMIA will pay the Insured for Financial Loss resulting from interruption of or interference with the Insured's Business in consequence of any public authority preventing or restricting the access to Insured Premises or ordering the evacuation of the public due to Damage or threat of Damage to property in the vicinity of any Insured Premises.

2.1.6 Public Utilities

VMIA will pay the Insured for Financial Loss resulting from interruption or interference with the Insured's Business in consequence of Damage to property that affects the supply of land based electricity supply, gas supply, steam, water or sewerage reticulation within Australia.

2.1.7 Suppliers or Customers

VMIA will pay the Insured for Financial Loss resulting from interruption or interference with the Insured's Business in consequence of Damage to any premises of the Insured's direct suppliers and Customers.

2.2 Extensions - Primary Cover

VMIA also provides the following extensions of cover where Financial Loss has been sustained in circumstances which satisfy clause 2.1.1.

2.2.1 Accounts receivable

Financial Loss resulting from the interruption of or interference with the Insured's Business arising from the Damage to the Insured's books of account or other business books or records resulting in the inability to trace or establish outstanding debit balances.

Financial Loss will be calculated as the total of:

- (a) the sum due to the Insured from its Customers;
- (b) less the amount of any sum evidenced by records not Damaged or established or collected by the Insured; and
- (c) less an amount to allow for probable bad debts which the Insured would normally not be able to collect.

2.2.2 Contractual penalties

Penalties and damages that the Insured is legally liable to pay for breach of written contract for non completion of a contract due to the interruption or interference of the Insured's Business arising from Damage to the Insured Property.

2.2.3 Rent Receivable

Loss of rent arising from the Damage to the Insured's Property. Loss of rent is calculated by:

- (a) assessing the difference between rent received during the Policy Period and the Standard Rent Receivable;
- (b) add the increased cost of working incurred during the Policy Period, but only to the extent that the reduction in Rent Receivable is reduced; and
- (c) less any sum saved during the Policy Period in respect of such charges and expenses of the Insured's Business payable from the Rent Receivable as may cease or be reduced in consequence of the Damage.

2.3 Extensions - Combined

VMIA also provides the following extension of cover where Financial Loss has been sustained in circumstances which satisfy any of the clauses in section 2.1.

2.3.1 Claim preparation costs

VMIA will pay the Insured for reasonable professional fees and expenses incurred by the Insured with the consent of VMIA, which shall not be unreasonably withheld, for the preparation of a claim under Section 2 of this Policy. VMIA, for each and every loss, will pay no more than the amount specified as the Sub-Limit of Liability stated in the Policy Schedule.

3. Exclusions

The following exclusions apply to this Policy.

3.1 Excluded causes/perils

This Policy does not cover Damage directly or indirectly caused or occasioned by:

3.1.1 Electronic Equipment failure

Electronic Equipment failure, or data error erasure or corruption of Electronic Equipment.

3.1.2 Erosion, subsidence and earth movement

Erosion, subsidence, earth movement or collapse unless caused by or resulting from earthquake, volcanic eruption, storm and tempest, Flood or sudden or accidental discharge of water.

3.1.3 Error or omission in design

Error or omission in design, plan or specification or failure of design, faulty materials or faulty workmanship.

3.1.4 Fraud and dishonest acts

Fraudulent or dishonest acts, except as provided under clauses 1.1.2(b) and 1.1.2(e).

3.1.5 Legal liability

Any legal liability of whatsoever nature other than as insured by this Policy.

3.1.6 Moths, termites and insects

Moths, termites or other insects, vermin, rust or oxidation, mildew, mould, contamination or pollution, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect.

3.1.7 Settling and seepage

Normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements, creeping, heaving and vibration.

3.1.8 Wear and tear

Wear and tear or gradual deterioration, deformation, distortion, cracks or partial fractures.

3.1.9 War and terrorism

- (a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, or requisition or destruction of or Damage to property by or under the order of any government or public or local authority, except where covered by clauses applicable elsewhere in this Policy; and
- (b) any Act of Terrorism in excess of the amount of cover stated in the Terrorism Extension as stated in the Policy Schedule.

3.2 Excluded property

This Policy does not cover Damage to:

3.2.1 Empty Insured Premises undergoing demolition

Empty Insured Premises undergoing demolition.

3.2.2 Exhibitions or artworks

Exhibitions or artworks (including the National Gallery of Victoria collection) that have been specifically insured under a separate fine arts policy.

3.2.3 Land

Land, provided that this exclusion will not apply to the reasonable costs incurred by the Insured for the restoration of soil or filling of soil, roadside batters or the installation of an alternative structural retaining system in order to sustainably reinstate Damage to the Insured Property.

This Exclusion does not apply to cover granted under clause 1.2.6.

3.2.4 Livestock

Livestock, animals, birds or fish, but this exclusion will not apply in respect of the death of fauna directly caused by fire, lightning, explosion, earthquake, subterranean fire, volcanic eruption, impact, aircraft or aerial devices or articles dropped from these, Flood, storm or tempest, or hail provided that the Insured has declared to VMIA the estimated value of such property prior to the occurrence of such Damage.

3.2.5 Money

Money stolen from an unlocked and unattended vehicle.

3.2.6 Property under construction

Insured Property undergoing construction, alteration or addition where the value of the contract works exceeds \$500,000. This Exclusion will not apply to:

- (a) works comprising construction, erection, alteration or addition to original or existing property structures; and
- (b) any other Insured Property.

3.2.7 Timber and trees

Standing timber, trees, growing crops and pastures, dams and reservoirs and their contents, but this exclusion will not apply in respect of loss or Damage to such property directly caused by fire, lightning, explosion, earthquake, subterranean fire, volcanic eruption, impact, aircraft or aerial devices or articles dropped from these, Flood, storm, or hail provided that the Insured has declared to VMIA the estimated value of such property prior to the occurrence of such Damage.

This Exclusion does not apply to cover granted under clause 1.2.8.

3.2.8 Vehicle or mobile equipment

Any vehicle or mobile equipment whilst being driven on a public thoroughfare (but Damage to such vehicle or mobile equipment whilst being used at any Situation as a tool of trade is not excluded).

4. How VMIA will pay – Section 1 – Property Damage

4.1 Reinstatement or replacement

4.1.1 Accounts receivable

Where a loss covered by this Policy has occurred, but the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of loss, such amount shall be calculated as follows:

- (a) the monthly average of accounts receivable by the Insured, adjusted in accordance with the percentage increase or decrease in the 12 months average of monthly gross sales of goods and services which may have occurred in the interim; and
- (b) a further adjustment for any demonstrable variance from the average for the particular month(s) in which the loss occurred, taking into account the normal fluctuations in the amount of accounts receivable within the fiscal month(s) involved.

Deductions will be made from the total amount of accounts receivable for such accounts evidenced as not lost or Damaged, or otherwise established or collected by the Insured, as well as an amount to allow for probable bad debts which would normally have been uncollectible by the Insured.

4.1.2 Better or more extensive property

Except as provided elsewhere in this Policy, including in clause 4.1.7 below, if any lost or destroyed Insured Property is replaced by property which is better or more extensive than its condition when new:

- (a) VMIA will pay the cost that would have been incurred if the Insured Property had been reinstated in accordance with the reinstatement definition at clause 4.1.4(a); and
- (b) the Insured will pay the balance of the cost to better or make more extensive the property.

4.1.3 Bridges, Crossings and associated road infrastructure

VMIA will pay the cost of reinstatement of the damaged Insured Property to the current Australian Standard at the time of the loss as prescribed by the *Road Management Act 2004* (VIC) as amended, provided such assets have been declared on this basis by the Insured to VMIA prior to the occurrence of any Damage.

4.1.4 Buildings, machinery, plant and all other Insured Property and contents

VMIA will pay the cost of reinstatement, replacement or repair of the Damaged Insured Property at the time of reinstatement, including costs necessarily and reasonably incurred to expedite such reinstatement, replacement or repair. The basis upon which the amount payable is to be calculated will be the cost:

- (a) where the Insured Property is lost or destroyed:
 - (i) in the case of a building, its rebuilding; or
 - (ii) in the case of Insured Property other than a building, the replacement with similar property; in either case in a condition equal to, but not better or more extensive than its condition when new; and
- (b) where the Insured Property is damaged, the repair of the Damage and the restoration of the damaged portion of the Insured property to a condition substantially the same as, but not better or more extensive than its condition when new.

4.1.5 Computer system records, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other business records

VMIA will pay the cost of reinstating, replacing, reproducing or restoring the Damaged Insured Property, including information contained in them but excluding the value of the information to the Insured. If reinstatement or reproduction of information is not required, VMIA will pay the replacement cost of materials as blank media or stationery.

4.1.6 Empty Insured Premises awaiting demolition

VMIA will pay the cost of the salvage value of the building materials or landlord's fixtures and fittings.

4.1.7 Extra cost of reinstatement

VMIA will pay the extra cost of reinstatement (including demolition or dismantling) of damaged Insured Property necessarily incurred to comply with the requirements of any Act of Parliament or regulation, by-law or regulation of any municipal or other statutory authority imposed after the Damage.

VMIA will not pay for any extra costs of reinstatement incurred to meet:

- (a) costs incurred solely to comply with the Insured's internal guidelines; or
- (b) any compliance requirements set out under a written notice imposed on the Insured prior to the Damage occurring.

4.1.8 Glass

VMIA will pay the cost of repairing or replacing the broken glass including:

- (a) temporary shuttering or hiring of security service pending replacement of broken glass;
- (b) sign writing or ornamentation on glass;
- (c) replacement burglar alarm tapes on glass;
- (d) removing and re-fixing of window and show case frames and fittings; and
- (e) heat reflecting material or process on glass.

4.1.9 Insured does not wish to replace or reinstate Damaged Insured Property

VMIA will pay the Indemnity Value of such Insured Property at the time of the happening of the Damage provided such Indemnity Value does not exceed the cost to reinstate, replace or repair such Insured Property. In any event, VMIA will also pay the costs incurred by the Insured in accordance with clause 4.1.7 above.

4.1.10 Value of labour, overhead charges and margin for profit

With the consent of VMIA, the Insured may reinstate the Damaged Insured Property. VMIA will pay reinstatement costs including the reasonable and necessary value of labour and other overhead charges together with a margin for profit which would otherwise have been earned by the Insured, provided that the liability of the VMIA shall not exceed the amount which would otherwise have been payable hereunder had such reinstatement been carried out by outside contractors.

4.2 Historic property

4.2.1 Architectural features or structural materials

If the Damaged Insured Property is a building that has architectural features or structural materials of an ornamental, antiquarian or historical character, or is the subject of a registration on the Victorian Heritage Register, VMIA will pay the costs of rebuilding or replacing or restoring of the building to reasonable equivalent utility and capacity, using at the Insured's option and subject to VMIA's consent (such consent not be unreasonably withheld):

- (a) current design, current construction methods and original materials if available or modern materials resulting in an original appearance; or
- (b) current design, current construction methods and available or modern materials resulting in a modern appearance.

4.3 Works of art, cultural property and antiques

If the Insured Property is works of art, cultural property and antiques and are Damaged and cannot be repaired:

- (a) VMIA will pay the Insured an amount equal to the value of the Insured Property at the time of loss as determined by two accredited experts in the appropriate field. The Insured may appoint one of the accredited experts;
- (b) if the parties cannot agree on the value, VMIA will pay the average of the two valuations provided by the accredited experts; and
- (c) if the Damaged Insured Property is one of a set, VMIA will take into account the diminished overall value of the set in any settlement of the loss.

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The Insured and the appointed accredited experts are to determine whether the Damaged Insured Property should be repaired or treated as a constructive total loss. If the Insured Property can be repaired, VMIA will make allowance for restoration and any loss of value when calculating the loss settlement. If the Insured Property is treated as a total loss, the salvage remains the Insured's, but the residual value as determined by two accredited experts in the appropriate field will be deducted from the claim settlement. If the parties cannot agree on the value, VMIA will pay the average of the two valuations as determined by the accredited experts.

5. How VMIA will pay – Section 2 – Consequential Financial Loss

5.1 Gross Revenue

Loss is calculated as follows:

- (a) determine the difference between Gross Revenue during the Indemnity Period and the Standard Gross Revenue;
- (b) add the increased cost of working incurred during the Indemnity Period (but only to the extent that the reduction in Gross Revenue is reduced); and
- (c) less any sum saved during the Indemnity Period in respect of the charges and expenses of the Business as may cease or be reduced in consequence of the Damage.

5.2 Additional increase in costs of working

VMIA will pay the Insured for any additional increase in cost of working (not otherwise recoverable hereunder), including the cost of engaging or employing Temporary Staff, necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage to the Insured Property for the purpose of avoiding or diminishing reduction in Gross Revenue or resuming or maintaining normal business operations or services.

6. General terms and conditions applicable to all Sections

Except to the extent that this Policy is modified the following terms and conditions of this Policy shall apply.

6.1 Amount of policy not reduced by loss

The insurance provided under each section or item of this Policy shall be automatically reinstated in the event of any Damage or Financial Loss in respect of which a claim is made under this Policy during the Policy Period.

6.2 Applicable law

Any dispute concerning this Policy shall be determined in accordance with the law of Australia and its States and Territories. Where the Insured Property is located in Victoria, the parties to this Policy agree to submit to the competent jurisdiction of Victoria. Where the Insured Property is located in another State or Territory, the parties to this Policy agree to submit to the competent jurisdiction of that State or Territory.

6.3 Claims co-operation

The Insured will advise VMIA as soon as practicable after the discovery of any loss or Damage the value of which may exceed the Deductible.

The Insured will provide VMIA with all information available in respect of the event including the circumstances, nature and amount of damage and proofs and information relating to any Financial Loss. The Insured must also fully co-operate with VMIA in the investigation, adjustment and settlement of the claim.

6.4 Event

For the purposes of this cover, all losses or series of losses occurring during the following periods shall be deemed to arise out of one event:

- (a) 168 consecutive hours in respect of losses arising out of bushfire, including all individual losses caused by fires spreading through trees or grassland, irrespective of origin or location;
- (b) 168 consecutive hours in respect of losses arising out of cyclone, hurricane, typhoon, windstorm, rainstorm, hailstorm, Flood or tornado;
- (c) 168 consecutive hours in respect of losses arising out of earthquake, seaquake, tsunami, tidal wave or volcanic eruption;
- (d) 168 consecutive hours and within the limits of one State capital city, city, town or village in respect of losses arising out of riots, strikes, civil commotions or malicious Damage; and
- (e) 168 consecutive hours for any other loss or series of losses of whatsoever nature.

Individual loss from any insured peril, which occurs outside (a) to (e) above will be excluded from that one event.

The Insured may choose the date and time from which any such period of consecutive hours commences and, if losses occur over periods of greater duration than the above periods, the Insured may divide those losses into two or more events, provided that no two periods overlap and provided further that no period commences earlier than the date and time of the happening of the first recorded individual loss.

6.5 Interested parties

VMIA will include as an additional Insured all parties who have an interest in the Insured Property by way of loan, lease, hire purchase or other agreement.

6.6 Other insurance

The Insured must give written notice to VMIA of any other insurance or insurances effected covering the loss.

If the Insured is entitled to cover under any other insurance policy, VMIA will not be liable to pay or contribute under this Policy more than the rateable proportion of any compensation, costs, and expenses.

6.7 Subrogation

In event of payment of a claim under this Policy, VMIA will be subrogated to all of the Insured's rights of recovery against any person or organisation. The Insured agrees to execute and deliver all appropriate papers and instruments and allow VMIA to undertake necessary steps or what is reasonably required to:

- (a) enforce any rights and remedies; or
- (b) obtain relief or indemnity from other parties,

to recover any amount paid by VMIA to the Insured in settlement of the Insured's claim.

If VMIA makes a successful recovery against a third party, recover proceeds will be distributed in the following order:

- (c) first to VMIA to cover the legal and administrative costs incurred in connection with the recovery; and
- (d) second to VMIA and the Insured on a pro rata basis, calculated by the amount the indemnified loss under the Policy and the amount any provable uninsured loss and/or the applicable deductible bears to the entire provable loss, respectively.

7. Definitions

7.1 Act of Terrorism

An action, including but not limited to the use of force or violence or threat of any person or group(s) of person, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), where:

- (a) the action is done with the intention of advancing a political, religious, ideological or similar cause; and
- (b) the action is done with the intention of:
 - (i) coercing, or influencing by intimidation, the government of the Commonwealth, State, Territory or foreign country, or of part of a State, Territory or foreign country; or (ii) intimidating the public or a section of the public.

(a) and (b) above are subject to the declaration of an Act of Terrorism as defined in the *Terrorism Insurance Act 2003* (Cth) as amended. The exception to this subjectivity is physical loss or damage solely and directly caused by an occurrence of an act of terrorism by:

- (i) use of nuclear or radiological weapons or materials; or
- (ii) use or operation, as a means of inflicting harm, of any computer, computer system, or computer software program, malicious code, computer virus or process or any other electronic system.

7.2 Business

The Business stated in the Policy Schedule.

7.3 Business Interruption

The interruption of or interference with the Insured's Business in consequence of Damage to Insured Property that occurs during the Policy Period.

7.4 Customers

Any party with whom the Insured has a direct contractual relationship for the sale or supply of goods, property or services.

7.5 Damage

Accidental physical loss, destruction or damage.

7.6 Deductible

The Deductible is the amount to be first paid by the Insured in respect of each claim, as stated in the Policy Schedule.

7.7 Electronic Equipment

- (a) computers, computer equipment, computer peripherals;
- (b) climate control, and protection equipment, used solely for data processing operations;
- (c) separately identifiable and removable component computer devices that are attached to Insured Property and are designed to control such property, but not the Insured Property itself;
- (d) telecommunications equipment used solely for data protection operations, interconnecting wiring and peripheral equipment used in connection therewith; and
- (e) generating and regulating equipment, used solely for data protection operations, detection and protection equipment, interconnecting wiring and paperwork, and storage equipment used in connection therewith, owned by, and for which the Insured is legally liable.

7.8 Employee

Any person employed under a contract of service or apprenticeship with the Insured, whether such contract is express, implied, oral or in writing, including persons:

- (a) supplied by labour only subcontractors;
- (b) providing their services on a labour only basis;
- (c) engaged in work experience or similar schemes;
- (d) providing their services on a voluntary basis; or
- (e) on secondment with the Insured.

7.9 Financial Loss

Direct or indirect loss of income.

7.10 Flood

Covering of normally dry land by water that has escaped or been released from the normal confines of any lake, river, creek or other natural watercourse or of any reservoir, canal or dam.

7.11 Gross Revenue

The Money paid or payable to the Insured for services rendered and/or goods sold in the course of the Business at the Situation, including any Rent Receivable.

7.12 Indemnity Period

The period beginning with the occurrence of the Damage and ending no later than the number of months stated in the Policy Schedule during which the results of the Business will be affected in consequence of the Damage.

7.13 Indemnity Value

The cost necessary to replace, repair, or rebuild the Insured Property to a condition substantially the same as but not better or more extensive than its condition at the time that the Damage occurred taking into consideration age, condition and remaining useful life.

7.14 Insured

The person(s) or entity/ies identified as the Insured in the Policy Schedule.

7.15 Insured Damage

Accidental physical loss, destruction or damage caused by an event insured by this Policy to tangible property anywhere in Australia (not being property excluded by this Policy).

7.16 Insured Property

Property (including money) as described in the Policy Schedule that belongs to the Insured or is held by the Insured in trust or on commission and for which the Insured is responsible for insuring.

7.17 Landscaping

Trees, shrubs, lawns, gardens, rockwork, paving and ornamentation thereto, and ornamental and other plants not intended for any commercial purposes.

7.18 Limit of Liability

The amount stated in the Policy Schedule.

7.19 Machine

Any apparatus, including electronic control equipment, whether or not functioning independently or as part of a collection of apparatus which generates, contains, controls, transmits, receives, transforms or utilises any form or source of energy or power.

7.20 Money

Negotiable money, including cash, bank and currency notes, cheques (other than blank or partly completed cheques), travellers cheques, bankers drafts, postal orders, money orders, gift tokens all belonging to the Insured or for which the Insured has accepted responsibility.

7.21 Notifiable Disease

Illness sustained by a person resulting from food or drink poisoning or any human infectious or human contagious disease, an outbreak of which the competent local authority has stipulated must be notified to them.

7.22 Personal property tools and effects.

Privately owned items normally worn or carried on the person including tools of trade but excluding motor, or any other form of registered vehicle.

7.23 Policy

This policy wording, the Policy Schedule and any other document that VMIA tells the Insured forms part of the Policy describing the insurance contract between the Insured and VMIA.

7.24 Policy Period

The period of time stated in the Policy Schedule.

7.25 Policy Schedule

The Schedule issued with this Policy wording.

7.26 Pollution

Any solid, liquid, gaseous, contaminant including smoke, soot, fumes, soot, acids, alkalis chemicals and materials to be recycled, reclaimed or reconditioned.

7.27 Premises

Any building, including outbuildings, and other structural improvements occupied by the Insured in connection with the Business or at which property is stored or kept by or on behalf of the Insured.

7.28 Rent Receivable

The amount of rent received or receivable from the letting of all or part of the Insured Premises.

7.29 Situation

The Situation stated in the Policy Schedule.

7.30 Standard Gross Revenue

The Gross Revenue during that period immediately before the date of the Insured Damage which corresponds with the Indemnity Period, which shall be adjusted as necessary to provide for the Trend in the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred.

7.31 Standard Rent Receivable

The Rent Receivable during that period immediately before the Insured Damage which corresponds with the Indemnity Period, which shall be adjusted as necessary to provide for the Trend in the Business.

7.32 Stock

- (a) stock, merchandise, promotional or raw materials, including the value of work done, containers and packaging materials; and
- (b) Customers' goods including goods and/or merchandise and other items held in trust or on commission for which the Insured is responsible.

7.33 Sub-Limit of Liability

The applicable sub-limit stated in the Policy Schedule which applies to the cover or section of the Policy.

7.34 Temporary Staff

People employed, and contractors engaged, by the Insured for the purpose of the claim.

7.35 Trend in the Business

Adjustments to provide for the trend of the Insured's Business and variations and other circumstances that impact the Business either before or after the Insured Damage or which would have impacted the Business had the Insured Damage not occurred.

7.36 VMIA

The Victorian Managed Insurance Authority ABN 39 682 497 841.

Privacy Statement

We are committed to protecting any information and data, including personal information and health information we collect, handle, store or disclose about you through our services. We manage all information and data, including personal and health information in accordance with the *Victorian Managed Insurance Authority Act 1996 (Act)*, the *Privacy and Data Protection Act 2014*, the *Health Records Act 2001*, the *Freedom of Information Act 1982*, and our [Privacy Policy](#).

From time to time, in accordance with our legislative and regulatory frameworks and applicable laws, we may be required to disclose information concerning policies or claims to government bodies authorised by Victorian or Commonwealth legislation.

Collection and use of Personal Information

Personal information means information or an opinion that is recorded in any form, and whether true or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

We collect and record personal information through our client data collection processes which include our website, online forms and surveys. Some examples of when we may collect your personal information are when you:

- send us an email;
- use our online services, such as completing a form or survey electronically;
- register to attend training and events; and
- access our secure client portal on our website.

Personal information we collect can only be used for the purpose of performing functions under our Act and in accordance with all applicable laws and regulations.

Access and Correction

Please contact our Information Privacy Officer at privacy@vmia.vic.gov.au if you:

- want to access personal information (if any) that we hold about you;
- want to know more about what sort of information we hold, for what purposes and how we deal with that information;
- believe that personal information that we hold about you is not accurate, complete and up to date; or
- have concerns about your privacy rights.