
COMMERCIAL PROPERTY OWNERS EXTENSION ENDORSEMENT

This endorsement only applies where you are the property owner of the insured location and where you are not occupying the property. This endorsement is to be read in conjunction with the Business Insurance policy wording

ACCIDENTAL DAMAGE

The maximum amount we will pay under this accidental damage cover for any event is the sum insured for building and contents. However if an amount is shown on your Insurance Certificate, then we will only pay up to the amount shown for this benefit.

THEFT

Your policy is extended to provide cover for your building and contents as described under the 'Theft' section of the policy wording. This cover is limited to your combined sum insured for building and contents or \$1,000,000, whichever is the lesser.

Rewriting of records

The limit for the additional benefit 'Rewriting of records' under the 'Theft' section is hereby altered to read:

'We will pay up to \$50,000 any one event in addition to your sum insured for theft'.

MONEY

Your policy is extended to provide cover for money as described under the 'Money' section of the policy wording. The following limits will apply:

1. 'Money in private residence' - \$5,000;
2. 'Money in your building/s' outside your normal business hours and not contained in a locked safe, strongroom or ATM - \$5,000;
3. all other claims for money - \$50,000

Theft and Money

The following additional benefit is added to the 'Theft' and 'Money' sections.

Injury during theft

If an owner, partner, proprietor or director of your business suffers an injury during theft or attempted theft of your contents or money which occurs during the period of insurance and the injury results in:

1. death;
2. total and permanent loss of sight in one or both eyes;
3. total and permanent loss of a limb, where limb means an entire hand or entire foot;
within 12 months of sustaining the injury; or
4. temporary or permanent total disablement from attending to usual business;

we will, in respect of the injury, pay to the owner, partner, proprietor or director or their legal representative:

- for item 1 above: \$10,000 in reimbursement of funeral, burial and cremation expenses;
- for 2 & 3 above: \$10,000 for injury sustained by any one person during any one theft or attempted theft; or
- for item 4 above: \$200 per week or 80% of the average weekly earnings of the owner, partner, proprietor or director, whichever is the lesser, up to a maximum of 13 weeks from the date the injury was sustained.

We will not pay for death or disablement aggravated by, attributable to, or consequent upon any pre-existing physical defect, illness, disease or injury.

RENT DEFAULT

Where 'Rent Default' is shown as taken on your Insurance Certificate, your policy is extended to provide cover for loss of rent as a result of tenant default during the period of insurance. The cover provided for rent default is subject to the terms and conditions in relevant sections of this policy as well as limitations, conditions and exclusions detailed in this endorsement.

Words with special meaning in this endorsement only

agent means a person, company or other entity that acts on your behalf and is either:

1. a licensed real estate agent;
2. a licensed property manager; or
3. named in the Insurance Certificate as an approved property manager.

lease agreement means the agreement between you or your agent and the tenant detailing the terms and conditions of the lease of the rental property. The lease agreement must be in writing and state the:

1. term of the lease period;
2. rental amount payable; and
3. the cash bond received or details of any bank guarantee if applicable.

Lease agreement does not include a periodic tenancy agreement.

periodic tenancy agreement means any agreement that applies when a tenant continues to occupy the rental property after a fixed-term agreement has expired.

rent means the amount of money paid, or payable, by the tenant to lease your rental property. The amount is stated in, or determined under, the lease agreement.

rent default means a tenant has failed to pay the agreed rent and is in breach of the lease agreement, including when a tenant leaves without giving notice as required under the lease agreement.

rental property means the building and/or land which is the subject of the lease at the location shown in the Insurance Certificate.

tenant means the person(s), company or other entity named in the lease agreement.

weekly rent means the amount of rent payable on a weekly basis. If the amount of rent is not fixed, it means the total rent payable by the tenant during the period of rent default divided by the number of weeks in the period.

What we cover

We will pay you for loss of rent arising from rent default occurring during the period of insurance if your tenant:

1. leaves your rental property before the end of the tenancy period of your lease agreement, without giving you or your agent notice;
2. is legally evicted from your rental property; or
3. stops paying rent owed to you or your agent

We will only pay a claim for rent default if:

1. the tenant breaches your lease agreement; and
2. any Bond collected or Bank Guarantee held as security has been completely exhausted; and
3. you have taken all reasonable steps legally available to you under the relevant State or Territory legislation relating to commercial leases, to remedy non-payment of rent and evict the tenant.

Cover for rent default ceases if the lease agreement could have legally been terminated by you.

Cover for loss of rent as a result of rent default will stop immediately:

1. if your rental property is re-tenanted;
2. if your rental property is not available to be tenanted because of renovations or maintenance work being carried out; or
3. when the term of your lease agreement ends.

Cover for rent default will not apply if the rent is in arrears when this cover is first taken out. This cover will not commence until all rent arrears have been paid and the tenant has paid a minimum of 4 consecutive weeks of the agreed rent in accordance with the lease agreement.

Any claim for loss as a result of rent default will be subject to the 'Specific exclusions' applicable to this endorsement or the 'General exclusions that apply to every section of the policy'.

Limitation

The most we will pay during any one period of insurance for loss of rent arising from rent default is 26 weeks rent with a 4 week excess as shown below in the 'Settlement of claims'.

Additional benefit – Legal expenses

In addition to the cover provided for loss of rent arising from rent default we will also pay 50% of your legal expenses, up to \$3,000 any one rent default that you incur to:

1. legally evict a tenant; or
2. recover any amount owed to you by a tenant.

However, we will not pay for any legal expenses that you incur solely to recover any loss that is not related to the cover provided by this endorsement.

You must obtain our written consent before incurring any legal costs that you intend to submit to us for reimbursement.

Settlement of claims

We will pay you for loss as a result of rent default as outlined in the following table:

Period of rent default	Cover
Weeks 1 to 4	No amount payable
Weeks 5 to 12	100% of weekly rent multiplied by the number of weeks in default
Weeks 13 to 26	80% of weekly rent multiplied by the number of weeks in default
Weeks 27 and beyond	No amount payable

Specific exclusions

We will not pay you if:

1. your tenant leaves the rental property, with or without notice, and you have failed to rectify a 'Notice of Remedy' breach issued by the tenant to you;
2. your tenant has carried on their business in its current form or occupation for less than 12 months;
3. your rental property is not managed by:
 - a. a licensed real estate agent;
 - b. a licensed property manager; or
 - c. the person named in the Insurance Certificate as an approved property manager.

Special conditions

You must comply with the special conditions noted below otherwise we may not pay your rent default claim:

1. You must take all reasonable steps legally available to you, including those available under the relevant State or Territory legislation relating to commercial leases, to remedy non-payment of rent and evict the tenant;
2. You must, if it is possible for you to do so, legally terminate the rental agreement.

LEGAL COSTS FOR OCCUPATIONAL HEALTH AND SAFETY BREACHES

Words with special meaning in this endorsement only

authorised legal representative means a solicitor, barrister, assessor, personal investigator or other person appointed to act on your behalf and approved by us.

occurrence means an unplanned incident that causes or contributes to personal injury or damage to property in connection with your business that occurs during the period of insurance.

personal injury means:

1. bodily injury, death, sickness, disease, disability; or
2. shock, fright, mental anguish.

damage to property means:

1. physical loss, destruction or damage to tangible property; or
2. loss of use of tangible property as a result of physical loss, destruction or damage to tangible property.

Cover

We will pay for any reasonable legal costs and expenses you incur in appealing against (including seeking to improve your position in relation to):

1. the imposition of a fine;
2. a prohibition notice; or
3. a determination by any court or tribunal;

under any workplace, occupational health and safety, or similar legislation that arises out of an occurrence.

We will only pay if the appeal concerns any actual or alleged failure of you to:

1. provide and maintain a safe working environment and a system of work;
2. maintain plant and equipment in a safe condition;
3. make arrangements for the safe use, handling, storage and transport of equipment and substances;
4. provide adequate facilities for the welfare of your employees, contractors or agents; or
5. provide necessary information, instruction, training and supervision for the welfare of safety of your employees, contractors or agents.

Limitation

The most we will pay for any one claim and in the aggregate for all claims, for legal costs and expenses of appeals covered under this section is \$100,000 in any one period of insurance.

Specific Exclusions

We will not pay you under this section for:

1. legal costs and expenses for appeals relating to:
 - a. proceedings brought by you or on your behalf;
 - b. any proceedings brought by us;
 - c. fines prohibition notices or proceedings, or any other circumstances which may lead to a proceeding, of which you were aware before you first took out your policy;
 - d. fines, prohibition notices or proceedings that you have not notified to us in accordance with this policy;
 - e. fines, prohibition notices or proceedings relating to a conflict of your duty or a conflict of your interest;
 - f. fines, prohibition notices or proceedings relating to defamation, slander or libel; fines, prohibition notices or proceedings relating to any occurrence intentionally or recklessly caused by you or the risk of which you deliberately courted;
 - g. fines, prohibition notices or proceedings relating to anything that you or anyone acting for you did, or omitted to do, including fraud or dishonesty;
2. any penalties, or fine or awards of damages (including aggravated, exemplary or punitive damages) made against you;
3. any matter arising out of any insurance cover required by law or that is covered under any insurance cover required by law or would have been covered had that policy been taken out;
4. defending legal proceedings without obtaining our prior written consent or in a different way from that advised by your Authorised Legal Representative;
5. any matter where insurance cover is separately available to you within this policy, even if you do not take out that cover;
6. fees for legal counsel, accountants or any other witness unless we have approved the appointment of such people and agree to the fees prior to the appointment(s) and/or fees being incurred;
7. any legal costs or expenses of others that are awarded against you or you agree to pay;
8. any legal costs or expenses if you withdraw from defending legal proceedings brought against you.

See also 'General Exclusions that Apply to Every Section of this policy' in the Product Disclosure Statement.

Special Conditions

Any cover we provide under this section is subject to the following special conditions:

1. You must notify us in writing as soon as possible of any occurrence.
2. You must forward to us every communication, writ or summons in relation to an occurrence within 72 hours of you receiving them.
3. You must advise us in writing of your intention to appeal. This advice must be provided to us at least 7 days before the time of making an appeal expires.
4. You must obtain our written consent before you incur any legal costs and expenses.
5. We will only cover you if we consider that there are reasonable prospects of the appeal being successful.
6. We will in consultation with you decide if we agree to you using your proposed legal representative as the authorised legal representative.
7. All authorised legal representatives will act on your behalf.
8. We will pay for one appeal only against any fine, prohibition notice or determination.
9. We reserve the right to:
 - a. take over and conduct in your name the settlement of any appeal;
 - b. refuse to use the legal representative you propose but we will provide a reason for doing so;
 - c. in consultation with you, instruct you to terminate the services of the authorised legal representative if we consider it is in your interest to do so.
10. You must provide to the authorised legal representative all required materials available to you.
11. You must provide to the authorised legal representative all assistance they require.
12. You must allow us to obtain information from the authorised legal representative to assist us in managing your claim.
13. You must tell us of an offer to settle an appeal. We may stop paying your legal costs and expenses if you unreasonably do not agree to the settlement. When the authorised legal representative recommends settlement of an appeal and you wish to continue with the appeal, we will only pay the legal costs and expenses incurred up to the date the recommendation was made.

Claims Procedure

When something happens for which you believe you can claim under this section, you can:

1. ask us to nominate a solicitor, or professional advisor; or
2. propose to us your own solicitor or professional advisor to be your authorised legal representative.