

Summary of Changes

This document outlines some of the Unfair Contact Terms changes that have been applied to the Hollard Commercial Business Insurance Policy Wording for new business effective 4 February 2021 and renewals effective 18 March 2021.

This information is a reference guide only and is not a substitute for the policy itself. Please read the policy wording for full details of coverage provided.

Change Description	Previous Version – Hollard Commercial Business Insurance Policy Wording HCl BI 112020	New Version – Hollard Commercial Business Insurance Policy Wording HCl BI 022021
<p>Update of the General Insurance Code Of Practice sections</p>	<p>General Insurance Code of Practice</p> <p>Hollard is a signatory to the General Insurance Code of Practice. The objectives of this Code are to:</p> <ul style="list-style-type: none"> • commit us to high standards of service; • promote better, more informed relations between us and you; • maintain and promote trust and confidence in the general insurance industry; • provide fair and effective mechanisms for the resolution of complaints and disputes between us and you; and • promote continuous improvement of the general insurance industry through education and training. <p>You can obtain a copy of the Code from the Insurance Council of Australia website www.insurancecouncil.com.au or by phoning (02) 9253 5100.</p>	<p>General Insurance Code of Practice</p> <p>Hollard is a signatory to the General Insurance Code of Practice. The objectives of this Code are to:</p> <ul style="list-style-type: none"> • commit us to high standards of service; • promote better, more informed relations between us and you; • maintain and promote trust and confidence in the general insurance industry; • provide fair and effective mechanisms for resolving Complaints you make about us; and • promote continuous improvement of the general insurance industry through education and training. <p>The Code Governance Committee (CGC) is the independent body that monitors and enforces our compliance with the Code. It also aims to drive better Code compliance, helping the insurance industry to improve its service to consumers.</p> <p>For more information about the CGC, or to obtain a copy of the Code please visit insurancecode.org.au or phone (02) 9253 5100.</p>
<p>Addition of 'Maintenance Policy' clause</p>	<p>N/A</p>	<p>Under Our Agreement Section:</p> <p>This policy is not a maintenance policy and does not pay out to rectify or improve structural defects, faulty design or faulty workmanship, or to resolve issues that have occurred due to inadequate maintenance, gradual deterioration or general wear and tear.</p>



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Extension of Cooling of Rights	14 Days	21 Days
Reinstatement and Replacement Updates	<p>Reinstatement and replacement</p> <p>Reinstatement and replacement will mean:</p> <p>for building, the reconstruction, repair or restoration of the damaged building, or at our option, the replacement of the building by a similar building, to a condition equal to but not better or more extensive than its condition when new;</p> <p>for other property (excluding stock) the repair of the damage and the restoration of the damaged portion of the property, or at our option, the replacement of the property by similar property, to a condition substantially the same as, but not better or more extensive than its condition when new;</p> <p>for stock the replacement cost at the time and place of the replacement, provided that the replacement is carried out with reasonable despatch. If the stock is not replaced, the original cost to you of the stock or its market value, whichever is the lesser. If the stock is obsolete, the basis of settlement will be the lesser of the original cost of the stock to you or its market value irrespective of whether the stock is replaced or not.</p> <p>Claims for the cost of reinstating or replacing property destroyed or damaged are subject to the work of rebuilding, or replacement, or repairing (as the case may be) being commenced and carried out with reasonable despatch no later than twelve months after the date of loss, failing which settlement maybe effected on an indemnity basis. This work may be carried out at another site and in any manner suitable to your requirements provided that our liability is not increased.</p>	<p>Reinstatement and replacement</p> <p>Reinstatement and replacement will mean, following collaboration with you, we will:</p> <p>for building (s):</p> <p>replace the building by a similar building, to a condition equal to but not better or more extensive than its condition when new;</p> <p>for other property (excluding stock):</p> <p>repair or restore the damage or damaged portion of the property;</p> <p>replace the property by similar property, to a condition substantially the same as, but not better or more extensive than its condition when new;</p> <p>for stock;</p> <p>replace based on the cost at the time and place of the replacement, provided that the replacement is carried out with reasonable despatch;</p> <p>where it cannot be replaced, pay you the original cost to you of the stock or its market value, whichever is the lesser. If the stock is obsolete, the basis of settlement will be the lesser of the original cost of the stock to you or its market value.</p> <p>Claims for the cost of reinstating or replacing property destroyed or damaged are subject to the work of rebuilding, or replacement, or repairing (as the case may be) being commenced and carried out with reasonable despatch no later than twelve months after the date of loss, failing which settlement maybe effected on an indemnity basis. This work may be carried out at another site and in any manner suitable to your requirements provided that our liability is not increased.</p>



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Addition of 'Things You Must Tell Us' clause	N/A	<p>Things you must tell us or do during the period of insurance</p> <p>Under this policy, you must tell us and/ or do certain things within a specific timeframe which are noted within this policy wording.</p> <p>Additionally, if there are any changes to the answers to our questions which you disclosed at the commencement of this insurance policy, any subsequent endorsements, alterations or renewals, you must notify us of the change within 30 days. If you require a copy of the information that has been provided to us, please contact your broker or insurance advisor.</p> <p>Your failure to notify Us of the alterations of risk or changes that may increase the risk could result in Us declining a claim and/or cancelling or avoiding the Policy, except where We expressly allow alterations in risk in the relevant cover sections of the Policy.</p>
General Policy Conditions	<p>The following General Policy Conditions apply to all cover sections of the Policy.</p> <p>A breach of a condition without Your knowledge or consent or error in name, description or situation of property will not prejudice Your rights under the Policy provided notice in writing is given to Us when such breach or error comes to Your knowledge.</p> <p>You must pay us any additional reasonable premium that we may require from the date of such breach or error.</p>	<p>The following General Policy Conditions apply to all cover sections of the Policy.</p> <p>A breach of a condition without Your knowledge or consent or error in name, description or situation of property will not prejudice Your rights under the Policy provided notice in writing is given to Us when such breach or error comes to Your knowledge.</p> <p>Subject to any applicable Policy condition, a premium adjustment may be required from the date of such breach or error which may require You to pay Us an additional premium. The extra premium will be calculated based on our standard underwriting procedures at the time of your request, which may be at a higher rate than the rate at which your premium was originally calculated.</p>



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<p>General Policy Exclusions, Consequential Loss</p>	<p>Consequential loss: The Policy does not insure any Consequential Loss of any description except as specifically stated in the Policy, provided that this exclusion does not apply to the Public and Products Liability cover section.</p>	<p>Consequential Loss clause has been removed from the General Policy Exclusions section</p>
<p>Changes to Risk</p>	<p>If there are any changes to Your Business or other circumstances affecting the Premises during the Period of Insurance (other than unoccupancy) that may result in an increased risk of destruction, loss or damage to Your Property Insured under the Policy or liability to any third parties, You must notify Us within 30 days of any change that may increase the risk insured under Your Policy.</p> <p>Examples of changes You should notify Us about include but not limited to a change:</p> <ul style="list-style-type: none"> a. in the trade or manufacture carried on, or where the nature of the occupation or other circumstances affecting the Building insured or containing the Property Insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses; b. in Your products or services; c. to any answers to the questions We have asked when this insurance was first taken out or any alterations or renewals since then; d. where Your interest ceases by will or operation of law. <p>If We agree to these alterations We will do so in writing and You must pay Us any additional premium We may require.</p> <p>Your failure to notify Us of the alterations of risk or changes that may increase the risk could result in Us declining a claim and/or cancelling or avoiding the Policy, except where We expressly allow alterations in risk in the relevant cover sections of the Policy.</p>	<p>Changes to Risk section has been removed.</p>



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<p>Undamaged Portions of Buildings</p>	<p>Undamaged portions of Building(s)</p> <p>When a damaged Building has to be rebuilt at a location other than the Premises because the requirements of any lawful authority prevent the reinstatement of the Building, including the foundations and services, it shall be deemed to be destroyed. In the event that the site is sold and the presence of such undamaged portion of the Building increases the value of the original site, the increased sale value shall be regarded as salvage. The value of the undamaged portion shall be agreed in writing with Us prior to sale of the site and that salvage amount shall be:</p> <ul style="list-style-type: none">a) payable to Us by You upon completion of the sale of the site; orb) deducted from the total amount otherwise payable by Us under this cover section; <p>whichever occurs first.</p> <p>In the event that the site is not sold, then the increased site value, when applicable, shall be agreed in writing between You and Us.</p> <p>In default, We and You shall submit to arbitration and be bound by the decision of the arbitrator where the salvage amount is not agreed.</p>	<p>Undamaged Portions of Buildings section has been removed</p>
<p>Our Rights Regarding Claims</p>	<p>Our rights regarding claims</p> <p>a. Following the happening of any Occurrence in respect of which a claim is, or may be, made under the Policy, We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving Us any statements, documents or assistance We require. This may include giving evidence in any legal proceedings.</p>	<p>Our rights regarding claims</p> <p>a. Following the happening of any Occurrence in respect of which a claim is, or may be, made under the Policy, We may look to conduct legal proceedings including the settlement of a claim. You will be required to provide any assistance requested by Us such as any statements, documents and giving evidence in any legal proceedings.</p>



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Premium – Adjustment of Premium	<p>Premium – adjustment of premium</p> <p>If the first premium or any renewal premium for this Policy or any part thereof shall have been calculated on estimates provided by You, You shall keep an accurate record containing all particulars relative thereto and shall at all reasonable times allow Us to inspect such record.</p> <p>You shall, where requested by Us after the expiry of each Period of Insurance, provide to Us such particulars and information as We may require as soon as reasonably practicable. The premium for such period shall thereupon be adjusted and any difference paid by or allowed to You, as the case may be, subject to retention by Us of any minimum premium that may have been agreed upon between Us and You at inception or the last renewal date of this Policy.</p>	Adjustment of Premium section has been removed.
Machinery Breakdown & Electronic Equipment Breakdown sections: Addition of Indemnity Value definition	N/A	Indemnity Value: means the cost to reinstate, replace or repair the property insured to a condition substantially the same as but not better or more extensive than its condition at the time of the damage, loss or destruction, taking into consideration age, condition, depreciation and remaining useful life.



Update to Hollard Commercial Business Insurance BI 022020 Policy Schedules

New Business Schedules	Removal of General Insurance code of practice section Inclusion of all excess applicable to the policy
Renewal Schedules	Removal of The Insurance Monitor section Removal of General Insurance Code of Practice section Inclusion of all excess applicable to the policy

Hollard Commercial Insurance Pty Ltd (ABN 86 603 039 023, AFSL 474540) (Hci) acting under a binder as agent for The Hollard Insurance Company Pty Ltd (ABN 78 090 584 473, AFSL 241436) (Hollard).