

EQUIPMENT AND MACHINERY WORDING (Reference: A171217-LOG)

INSURING CLAUSE

In consideration of the Deposit Premium detailed in the Schedule attaching to and forming part of this Certificate (hereinafter referred to as the "Schedule") Underwriters hereby agree to indemnify the Insured detailed in the Schedule upon the following interests, their own or of others for which they may be responsible or have assumed responsibility subject to the terms, conditions and limitations hereinafter set forth.

1.1 NAME OF INSURED:

As detailed in the Schedule

Underwriter's liability under this Certificate to Loss Payees who are named hereon or who may be added hereto during the Period of Insurance, shall be limited to the extent to which any losses may be recoverable under the Certificate terms, clauses and conditions.

1.2 GEOGRAPHICAL LIMITS AND DURATION OF RISK:

As detailed in the Certificate Schedule.

1.3 LIMIT OF LIABILITY:

In event of loss or damage to the interests Insured hereunder, Underwriters shall not be liable in respect of any one accident or series of accidents arising out of one occurrence for more than their proportion of an amount up to the Sums Insured detailed in the Schedule of Vehicles but not exceeding the Limit of Liability.

1.4 PERILS INSURED:

- a) Mobile/Miscellaneous Equipment: All risks of Direct Physical Loss and/or Damage, as specified in the Schedule of Values attached hereto.

In all cases excluding War Risks, but including Strikes, Riots and Civil Commotions as Institute Clauses.

1.5 EXCLUSIONS CLAUSE:

The insurance provided by this Certificate shall **not** cover:-

- (a) Claims in circumstances where the operator of an item involved in a loss did not hold an appropriate, current, valid Driver's Licence under all relevant laws, bye-laws and regulations to operate such an item/vehicle.
- (b) Claims in circumstances where an item involved in a loss was being operated by:
(i) A person under the age of 23 years of age
OR
(ii) A person with less than 2 years of practical driving experience in the required licence category.
UNLESS at the time of the loss, the operator was specifically approved by Underwriters.
- (c) Loss or damage due to and/or consequent upon wear, tear or gradual deterioration.
- (d) Insurrection, rebellion, revolution, civil war, usurped power, or action taken by government authority in hindering combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.
- (e) Money, books of account, evidence of debt or title.
- (f) Claims consequent upon delay, loss of time or loss of market.
- (g) When Your vehicle is outside Australia, except when the interest insured is in transit by sea or air between places within Australia

- (h) Notwithstanding any provision to the contrary within this Certificate or any endorsement thereto, this Insurance excludes and does not cover death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any act of terrorism, as defined herein, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

An act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, environmental or similar purposes to intimidate the public or a section of the public of any nation 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) de jure or de facto, and which:

- (i) Involves violence against one or more persons; or
- (ii) Involves damage to property; or
- (iii) Endangers life other than that of the person committing the action; or
- (iv) Creates a risk to health or safety of the public or a section of the public; or
- (v) Is designed to interfere with or to disrupt an electronic system.

This Insurance also excludes and does not cover death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.

- (i) Loss under the manufacturer's warranty, or guarantee.
- (j) Consequential Loss.
- (k) Losses reported outside 30 days from date of occurrence.
- (l) Loss or damage due to and/or consequent upon lack of maintenance as recommended by the manufacturer.
- (m) Loss or damage due to and/or consequent upon maintenance or repair.
- (n) Loss or damage to any Insured item if any item involved in the loss was being operated by any person:
 - (i) Whose faculties are impaired by any drug or intoxicating liquor, or
 - (ii) Who is convicted of driving, at the time of the accident, under the influence of intoxicating liquor or any drug, or
 - (iii) With a percentage of alcohol in his/her breath or blood in excess of the percentage permitted by law, or
 - (iv) Who refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by the law of any State or Territory.
However, Underwriters will pay if You prove you did not know or could not reasonably have known that the driver of Your Vehicle was so affected or refused to undergo an appropriate test at the time of the accident.
- (o) Loss, damage or expense whilst an insured item is being hired out.
- (p) Loss or damage due to and/or consequent upon inherent vice.
- (q) Loss or damage due to and/or consequent upon exceeding an item's designed, lifting, pulling, towing or carrying capability, workload or capacity.
- (r) Loss or damage due to and/or consequent upon lifting, carrying, pulling or towing a load of greater weight or dimension than permitted by law or regulation, or the permit that the Insured is in possession of.
- (s) Loss or damage due to and/or consequent upon operating on or moving burning material.
- (t) Loss or damage due to and/or consequent upon the application of heat to the engine or gearbox.

- (u) Loss or damage due to and/or consequent upon operating on ice, muskeg, or operating a vehicle or item of machinery in a known watercourse, floodway or area of tidal movement.
- (v) Loss or damage due to and/or consequent upon the use of explosives.
- (w) The bursting, blowing or puncturing of tyres or subsequent damage to wheel rims.
- (x) The cracking, chipping or breakage of windscreens or windows.
- (y) Any matter that is in violation of any political, economic or trading sanctions which prohibits Underwriters from providing insurance under United Nations resolutions or laws and regulations of the European Union, United Kingdom or United States of America.
- (z) loss or damage arising directly or indirectly, out of or resulting from or in connection with:
 - (i) a fraudulent or illegal act
 - (ii) a wilful, deliberate or malicious act; or
 - (iii) misconduct

whilst your Vehicle is being driven by You or by any person with Your consent or anyone acting on Your behalf that contributes to or results in any loss or damage or liability that would otherwise be insured under this Certificate.

- (aa) loss or damage arising directly or indirectly, out of or resulting from or in connection with:
 - (i) any recklessness committed whilst your Vehicle is being driven by You or by any person with Your consent or anyone acting on Your behalf, that contributes to or results in any loss or damage that would otherwise be insured under this Certificate; or
 - (ii) any reckless failure committed by You or by any person with Your consent or anyone acting on Your behalf, to comply with any statutory obligations, by-laws, regulations, industry codes of practice and recognised standards imposed by any Public Authority.

1.6 PREMIUM ADJUSTMENT, VALUATION AND REPORTING CLAUSE:

1.6.1 Premium shall be adjusted as follows:

Premiums for additions and deletions will be adjusted on a pro-rata basis from the date the unit is acquired or disposed of as provided by the Automatic Acquisition Clause herein.

1.6.2 VALUATION

For value reporting, premium adjustment and loss settlement purposes, the basis of valuation of all interests insured hereunder shall be **Actual Cash Value**, except items indicated on the attached schedule and where agreed by the Underwriters as being insured for Replacement Cost.

Actual Cash Value means the value determined to be reasonable to replace the insured property with like make, model, and age and in the same condition as the insured property was in at the time of loss or damage.

Replacement Cost means: the cost of repairing, rebuilding or replacing (whichever is the least) the insured property with materials of like kind and quality without deduction for depreciation.

The foregoing shall be subject otherwise to all the terms, conditions and limitations of the Certificate (including endorsements thereon) and to the following:-

- (i) The repair, rebuilding or replacement, as the case may be, must be effected by the Insured with due diligence and dispatch;
- (ii) Until repair, rebuilding or replacement has been effected by the Insured, liability shall be that which would have existed had this clause not been in effect;
- (iii) Liability shall in no event exceed the amount actually and necessarily expended for repair, rebuilding or replacement nor the sum shown in the attached schedule;

- (iv) The lost or damaged property shall not be considered a Constructive Total Loss unless the repair costs exceed the Replacement Cost Value or the Actual Cash Value whichever applies.
- (v) No item insured on a replacement cost basis shall be in excess of 12 months in age at the inception of the Certificate period. It shall be the responsibility of the Insured to ensure that all property is correctly insured and valued.
- (vi) If repair, replacement or reinstatement with material of like kind and quality is restricted or prohibited by any bylaw, ordinance or law, any increased cost or repair, replacement or reinstatement due thereto shall not be covered by this endorsement.

1.7 DEDUCTIBLE CLAUSE:

Each claim for loss or damage shall be adjusted separately and from the amount of each such adjusted loss, the sum stated in the Schedule shall be deducted.

If Your Vehicle is the subject of loss or damage as a result of an accident for which a claim is payable under this Certificate and which occurs outside the Geographical Limits shown in the Certificate Schedule, then the Deductible payable by You shall be increased by 100% (doubled). However, no cover is provided outside of Australia whatsoever.

Further Deductibles may be applicable under certain circumstances. If so, these Deductibles will be stated in Your Certificate Schedule.

1.8 CANCELLATION CLAUSE:

This Certificate is subject to notice of cancellation by the Underwriters in accordance with the Insurance Contracts Act 1984.

1.09 REINSTATEMENT OF LOSS CLAUSE:

Unless notice is given by Underwriters to the contrary, any reduction in the amount insured on the interests insured hereunder due to the payment of any loss or losses shall automatically be reinstated for the balance of the term of the said Certificate and additional premium on a pro rata basis shall be due and payable upon replacement of the item(s) lost or damaged.

1.10 CIVIL AUTHORITY CLAUSE:

Notwithstanding anything contained in this Certificate, it is understood and agreed that property which is insured under this Certificate is also covered against the risk of damage or destruction by civil authority during a conflagration but not such damage or destruction as is caused or contributed to by war, invasion, revolution, rebellion, insurrection or other hostilities or warlike operations.

1.11 SUE AND LABOUR CLAUSE:

In case of imminent or actual loss or damage arising from a peril insured hereunder, it shall be lawful and necessary for the Insured, his or their factors, servants and assigns, to sue, labour and travel for, in and about the defence, safeguard and recovery of the property insured hereunder, or any part thereof without prejudice to this insurance. Underwriters will contribute according to the rate and quantity of benefit achieved relative to the sum herein insured.

1.12 OWNERSHIP CLAUSE:

It is understood and agreed that this insurance shall not be invalidated if the interest of the Insured be other than sole or unconditional ownership, and that interests insured hereunder are covered whether owned by the Insured or by others for which the Insured may be responsible. In event of loss, however, settlement shall be made with the named Insured.

ADDITIONAL BENEFITS

The following benefits are included in this Insurance.

AB01 AUTOMATIC ACQUISITIONS & DELETIONS CLAUSE:

It is understood and agreed that the amount of this Certificate is increased and the Certificate is accordingly extended to cover property of a nature similar to that insured hereunder which is acquired by the Insured, provided all such property is reported to Underwriters within 30 days from the date of acquisition or inception of the Certificate and an additional premium is paid at the rates shown in the Certificate Schedule, pro-rata for the period from the date of the acquisition to the expiration or termination of this Insurance. Provision is likewise extended to allow for the automatic deletion of scheduled items provided all such property is reported to Underwriters within 30 days from the date of sale or disposal. A return premium will be paid pro-rata for the period from the date of the sale or disposal to the expiration or termination of this Certificate, subject to any such deletions being reported to Underwriters within 30 days from sale or disposal.

In any case, the maximum amount that can be added without prior agreement shall not exceed the total Sum Insured in the Certificate Schedule and/or AUD1,000,000 whichever is the smaller.

AB02 REMOVAL AND DELIVERY EXPENSES CLAUSE:

If your vehicle suffers loss or damage covered by this Certificate, we will pay for reasonable costs necessarily incurred by you in removing your vehicle (excluding any debris of load) and, where applicable, relocating your vehicle to the nearest repairer which we have approved and/or delivering your vehicle to you at your usual place of garaging after its repair or recovery.

The maximum amount that we will pay per event is 10% of the value of the unit(s) involved, but not exceeding an amount of AUD20,000 in the aggregate in the Period of Insurance per Insured.

Irrespective of the foregoing, coverage excludes pollution absolutely.

AB03 HIRE VEHICLE FOLLOWING THEFT

Underwriters will reimburse You for the hiring of a substitute vehicle following the theft of Your Vehicle up to a period of 14 days or up to recovery of Your Vehicle, whichever comes first. Underwriters will not pay for more than AUD2,500 under this Additional Benefit any one loss but limited to AUD20,000 in the aggregate in the Period of Insurance.

AB04 SEA TRANSPORTATION

Underwriters will pay any General Average and Salvage Charges which are incurred whilst Your Vehicle is being transported by sea between places in Australia.

AB06 KEYS AND LOCKS

If the keys to your vehicle are lost or damaged or if there are reasonable grounds to believe that Your keys may have been illegally duplicated, Underwriters will pay the costs of replacing Your Vehicle keys and/or locks up to a maximum of AUD3,000 during the Period of Insurance.

AB07 EMERGENCY TEMPORARY REPAIRS

If loss or damage to Your Vehicle occurs You may carry out immediate temporary repairs, up to a limit of AUD2,000, to enable You to return Your Vehicle to a place of safety.

GENERAL CONDITIONS

The following conditions form part of this Insurance:

GC1 - LAW AND JURISDICTION CLAUSE

This insurance shall be governed by the laws of Australia and subject to the exclusive jurisdiction of the courts of Australia.

GC2 - WAR AND CIVIL WAR EXCLUSION CLAUSE

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

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GC3 - INSTITUTE EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE

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

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 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.

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GC4 - INSTITUTE CHEMICAL, BIOLOGICAL, BIO-CHEMICAL, ELECTROMAGNETIC WEAPONS AND CYBER ATTACK EXCLUSION CLAUSE

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

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 any chemical, biological, bio-chemical or electromagnetic weapon
 - 1.2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

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GC5 - Premium Payment Clause

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of non payment of premium only the following clause will apply.

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within 60 days of inception of this contract (or, in respect of instalment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the 60th day from the inception of this contract (and, in respect of instalment premiums, by the date they are due) (Re)Insurers shall have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re)Insurers are on risk but the full contract premium shall be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

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GC6 - TOTAL OR CONSTRUCTIVE TOTAL LOSS

It is hereby understood and agreed that in the event of a Total or Constructive Total Loss of any item of property insured during the Period of Insurance specified in the Schedule and the loss is paid by Underwriters then the total premium for that property shall be considered to be fully earned.

This Endorsement shall not apply where State Law or any Premium Finance Agreement would be violated or infringed.

Constructive Total Loss shall be defined as "loss where the cost of recovery and repair would exceed the Limit of Liability shown in the Schedule or the actual cash value (whichever is the lesser amount)".

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GC7 - LLOYD'S AUSTRALIAN ALTERNATIVE DISPUTES RESOLUTION CLAUSE

In the event that a dispute arises between Underwriters and the Insured/Reinsured out of or otherwise in relation to this agreement, then:

- (a) Any party to the dispute shall, without prejudice to any other right or entitlement they may have, give written notice to the other party (the "**Dispute Notice**") requiring them within 7 days of this notice to negotiate (whether in a face to face meeting or by teleconference) in good faith as to how the dispute can be resolved;
- (b) If a dispute is not resolved within 10 days of the Dispute Notice, either party can request the other party within a further 10 days to agree on either:
 1. a process for resolving the dispute through means other than litigation or arbitration, such as further negotiation, mediation, or any other alternative dispute resolution technique. The rules governing any such technique shall be agreed as between the parties and where no such agreement as to the process and or guidelines is reached within 10 days, then it shall be by mediation by a mediator selected by the Chairperson for the time being of Lawyers Engaged in Alternative Dispute Resolution (**LEADR**) (or other appropriate professional body as agreed by the parties); or
 2. referral of the matters in dispute to an independent expert for an expert determination. The parties agree that they will not be bound by the determination of the expert. The expert:
 - (a) will be a person agreed between the parties within 10 days of the dispute being referred to expert determination or failing this, the expert will be a person appointed by the Australian Insurance Law Institute (or other appropriate professional body as agreed by the parties);
 - (b) will act as an expert and not as an arbitrator;
 - (c) will proceed in such a manner as he or she thinks fit without being bound to observe the rules of natural justice or the rules of evidence;
 - (d) will take into consideration all documents, information and other written and oral material that the parties place before him or her including documents, information and material relating to the facts in dispute and to arguments and submissions upon the matters in dispute; and
 - (e) will act with expedition to provide the parties with a determination in writing within 35 days of the referral to him or her of the matters in dispute.

Both parties must use their best endeavours to achieve resolution by the selected process and further agree that neither party will initiate litigation (as set out in clause (c) below) without first pursuing such informal resolution techniques in good faith;

In the event that the dispute is not resolved by such informal process within 35 days of the Dispute Notice (or such other period as agreed in writing between the parties) the dispute shall be referred to litigation.

- (c) Following either a mediation or an expert determination pursuant to clause (b) of this provision, either party may then initiate proceedings in any competent Court in the Commonwealth of Australia in relation to the matters in dispute.

Such proceedings may only be commenced on 14 days written notice to the other party and shall be determined in accordance with the law and practice applicable in such Court.

Any summons, notice or process to be served upon Underwriters may be served upon:

Lloyd's Underwriters' General Representative in Australia
Level 9
1 O'Connell Street
Sydney
NSW 2000
Australia

who has authority to accept service and to appear on Underwriters' behalf.

If proceedings are instituted against any one of the Underwriters, all Underwriters participating in this insurance will abide by the final decision of such Court or any competent Appellate Court.

- (d) Except where the dispute renders it impossible to do so, the parties will continue performing their respective obligations under the Policy while the dispute is being resolved, unless and until such obligations are terminated or expire in accordance with this agreement.
- (e) Each party must use its reasonable endeavours to ensure that where a dispute is reasonably foreseeable, it is dealt with at a sufficiently early stage to ensure that there is a minimal effect on the ability of either party to perform its obligations under the Policy.
- (f) Notwithstanding anything in this schedule, either party may at any time commence Court proceedings in relation to any dispute or claim arising under, or in connection with the Policy where the party seeks urgent interlocutory relief.

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GC8 - SHORT RATE CANCELLATION TABLE

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the INSURED the Earned Premium shall be computed as follows:-

A. For insurances written for one year:-

Days Insurance in Force	Per cent of One Year Premium	Days Insurance in Force	Per cent of One Year Premium
1	5	154 - 156	53
2	6	157 - 160	54
3 - 4	7	161 - 164	55
5 - 6	8	165 - 167	56
7 - 8	9	168 - 171	57
9 - 10	10	172 - 175	58
11 - 12	11	176 - 178	59
13 - 14	12	179 - 182 (6 months)	60
15 - 16	13	183 - 187	61
17 - 18	14	188 - 191	62
19 - 20	15	192 - 196	63
21 - 22	16	197 - 200	64
23 - 25	17	201 - 205	65
26 - 29	18	206 - 209	66
30 - 32 (1 month)	19	210 - 214 (7 months)	67
33 - 36	20	215 - 218	68
37 - 40	21	219 - 223	69
41 - 43	22	224 - 228	70
44 - 47	23	229 - 232	71
48 - 51	24	233 - 237	72
52 - 54	25	238 - 241	73
55 - 58	26	242 - 246 (8 months)	74
59 - 62 (2 months)	27	247 - 250	75
63 - 65	28	251 - 255	76
66 - 69	29	256 - 260	77
70 - 73	30	261 - 264	78
74 - 76	31	265 - 269	79
77 - 80	32	270 - 273 (9 months)	80
81 - 83	33	274 - 278	81
84 - 87	34	279 - 282	82
88 - 91 (3 months)	35	283 - 287	83
92 - 94	36	288 - 291	84
95 - 98	37	292 - 296	85
99 - 102	38	297 - 301	86
103 - 105	39	302 - 305 (10 months)	87
106 - 109	40	306 - 310	88
110 - 113	41	311 - 314	89
114 - 116	42	315 - 319	90
117 - 120	43	320 - 323	91
121 - 124 (4 months)	44	324 - 328	92
125 - 127	45	329 - 332	93
128 - 131	46	333 - 337 (11 months)	94
132 - 135	47	338 - 342	95
136 - 138	48	343 - 346	96
139 - 142	49	347 - 351	97
143 - 146	50	352 - 355	98
147 - 149	51	356 - 360	99
150 - 153 (5 months)	52	361 - 365	100

- B. For Insurances written for more or less than one year:-
1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
 2. If insurance has been in force for more than 12 months:
 - (a) Determine full annual premium as for an insurance written for a term of one year.
 - (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
 - (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

GC9 - AUSTRALIA TERRORISM INSURANCE ACT 2003 NOTICE

The Underwriters have treated this Insurance (or part of it) as an Insurance to which the Australia Terrorism Insurance Act 2003 (ATIA) applies.

ATIA and the supporting regulations made under the Act deem cover into certain policies and provide that the Terrorism exclusion to which this Insurance is subject shall not apply to any "eligible terrorism loss" as defined in ATIA.

Any coverage established by ATIA is only in respect of any "eligible terrorism loss" resulting from a "terrorist act" which is a "declared terrorist incident" as defined in ATIA. The Terrorism exclusion to which this Insurance is subject applies in full force and effect to any other loss and any act or event that is not a "declared terrorist incident".

All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged.

If any or all of the Underwriters have reinsured this Insurance with the Australian Reinsurance Pool Corporation, then any such Underwriters will not be liable for any amounts for which they are not responsible under the terms of ATIA due to the application of a "reduction percentage" as defined in ATIA which results in a cap on the Underwriter's liability for payment for "eligible terrorism losses".

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GC10 - (RE)INSURERS LIABILITY CLAUSE

(Re)insurer's liability several not joint

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

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FRAUDULENT CLAIMS CLAUSE (AUSTRALIA)

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Assured or anyone acting on the Assured's behalf to obtain any benefit under this Policy, or if any loss hereunder be occasioned by the wilful act or with the connivance of the Assured, the Underwriters, without prejudice to any other right(s) they might have under this Policy, shall be entitled to refuse to pay such claim.

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GENERAL INSURANCE CODE OF PRACTICE

This Insurance is compliant with the Insurance Council of Australia's General Insurance Code of Practice, apart from any claims adjusted outside Australia. Underwriters at Lloyd's proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the general insurance industry. Any enquiry or complaint relating to this Insurance should be referred to the Coverholder shown above in the first instance. If this does not resolve the matter or you are not satisfied with the way a complaint has been dealt with, you should contact: Lloyd's Underwriters' General Representative in Australia, Level 9, 1 O'Connell Street, Sydney NSW 2000

Telephone Number: (02) 9223 1433 Facsimile Number: (02) 9223 1466,

who will refer your dispute to Policyholder & Market Assistance at Lloyd's. Complaints that cannot be resolved by Policyholder & Market Assistance may be referred to the Financial Ombudsman Service (UK). Further details will be provided at the appropriate stage of the complaints process.

All other terms, conditions and exclusions remain unaltered.
