

# TOTAL LOSS COMPUTER INSURANCE POLICY BOOKLET

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## ABOUT THIS BOOKLET

This booklet contains 2 separate sections:  
Part A and Part B

### Part A: Product Disclosure Statement (PDS)

Part A of this document contains a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about your insurance needs. It gives a summary of the significant benefits and risk associated with this product (you should refer to Part B – Terms and Conditions for full details).

The PDS also contains information about costs, our dispute resolution system, your cooling off rights and other relevant information, including other rights, terms, conditions and obligations attaching to this product. Please read Parts A and B of this booklet carefully.

### Part B – Policy Terms and Conditions

Part B of this booklet contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It is Part B which forms part of your legal contract with us.

If we issue you with an insurance policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send you form your legal contract with us so please keep them in a safe place for future reference.

If you require information about this product, please contact your Financial Services Provider.

### About QBE International

QBE Insurance (International) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide industry-leading insurance solutions that are focused on the needs of intermediaries and their clients.

QBE is a household name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

# PART A

## PRODUCT DISCLOSURE STATEMENT (PDS)

### TOTAL LOSS COMPUTER INSURANCE

#### Insurer

The Policy is underwritten by QBE Insurance (International) Limited (New Zealand branch).

QBE Insurance (International) Limited was given an "A+" Insurer Financial Strength Rating by Standard & Poor's (Australia) Pty Ltd on December 5, 2010. The Certificate of Rating is available for inspection at the registered office of 29 Customs Street West, Auckland, New Zealand.

Other documents may form part of the PDS. Any such documents will be dated and will include a statement identifying them as part of the PDS. If any major omissions, updates or corrections need to be made to the PDS a supplementary PDS may be provided. In either case the relevant document will be provided to you with the PDS.

#### Significant benefits and features

We believe the most significant benefits of this insurance Policy are that it protects your financial investment in property insured.

The Policy provides cover for loss of or physical damage to property insured caused by any insured peril described in the Policy Schedule.

- (a) You are insured against the Total Loss to the Property Insured caused by any insured peril listed below and occurring during the Period of Insurance.
- (b) Transit
- (c) Collision or overturning of vehicle
- (d) Theft
- (e) Fire
- (f) Flood
- (g) Malicious damage
- (h) Extraneous perils, including:
  - Aircraft
  - Earthquake
  - Storm, rainwater, wind or hail but not:
    - Action of the sea
    - Tsunami
    - Tidal wave
    - High water
    - Flood
  - Riots
  - Impact by:
    - Vehicles
    - Animals

#### The Policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to the Total Loss Computer Insurance Policy Terms and Conditions which follows this PDS for full details of the terms and conditions of the cover and exclusions.

The Policy will not cover loss or damage caused by:

- (a) Mechanical, hydraulic, electrical or electronic breakdown, failure or malfunction of any machine or electrical or electronic device
- (b) Wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good
- (c) Faulty materials or faulty workmanship
- (d) Erosion, subsidence or collapse
- (e) Computer virus
- (f) Data corruption caused by unauthorised amendment or erasure of data.

These are only some of the events that are not covered by this insurance. Please read the Total Loss Computer Insurance Policy Terms and Conditions which follows this PDS for full details of all relevant Policy exclusions.

#### The amount of any claim may be reduced

The amount of any claim against the Policy may be reduced:

- (a) Where an excess applies (any applicable excess will be shown in your Policy Schedule)
- (b) If you do not comply with any Policy condition

#### Significant risks

##### This product may not match your expectations

This product may not match your expectations (for example, because an exclusion applies). You should read the PDS (Part A of this booklet) and the Policy Terms and Conditions (Part B of this booklet) carefully. Please ask your Financial Services Provider if you are unsure about any aspect of this product.

##### Your sum insured may not be adequate

It is important that the sum insured you select covers the insured property for an amount equal to its replacement value.

## The cost of this Insurance Policy

The total premium is the amount we charge you for this insurance Policy. It includes the amount we have calculated will cover the risk, and any taxes and government charges. The premium and any taxes and government charges will be shown on your Policy Schedule.

## Duty of Disclosure – what you must tell us.

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. The Act requires that before a policy is entered into, you must give us certain information we need to decide whether to insure you and anyone else to be insured under the policy, and on what terms. Your Duty of Disclosure is different, depending on whether this is a new Policy or not.

### New Business

Where you are entering into this Policy for the first time (that is, it is new business and is not being renewed, varied, extended or reinstated) you must tell us everything you know and that a reasonable person in the circumstances could be expected to tell us, in answer to the specific questions we ask.

When answering our questions you must be honest.

- **Who needs to tell us**  
It is important that you understand you are answering our questions in this way for yourself and anyone else whom you want to be covered by the Policy.
- **If you do not tell us**  
If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the Policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the Policy as never having worked.

### Renewals, variations, extensions and reinstatements

Once your Policy is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and any one else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**
  - That diminishes the risk
  - That is common knowledge
  - That we know or should know in the ordinary course of our business as an insurer, or
  - Which we indicate we do not want to know.
- **If you do not tell us**  
If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as never having worked.

## Privacy

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth.), when collecting and handling your personal information. QBE has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make. We will only use and disclose your personal information for a purpose you would reasonably expect.

We may need to disclose personal information to our reinsurers, (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, our advisers and those involved in the claims handling process (including assessors and investigators), for the purpose of assisting us and them in providing relevant services and products, or for the purposes of litigation. We may disclose personal information to people listed as co-insured on your policy and to family members or agents authorised by you. We may also disclose information to organisations which conduct customer service surveys on our behalf. We will request your consent to any other purpose.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

You also have the opportunity to find out what personal information we hold about you and, when necessary, correct any errors in this information. Generally we will do this without restriction or charge. For further information about our Privacy Policy or to access or correct your personal information, please contact The Compliance Manager, QBE Insurance (International) Limited, P O Box 44, Auckland 1140.

## How to make a claim

Please contact the Computelec Claims Officer to obtain a claim form and to make a claim at;

[Insurance@computelec.com.au](mailto:Insurance@computelec.com.au)

Direct: (03) 8645 7116

or: 1300 36 1988

## Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact QBE on +699 366 9920 and ask to speak to a dispute resolution specialist.

If you are not happy with our answer, or we have taken more than 15 working days to respond, you may take your complaint to the Insurance Ombudsman Service (IOS), an ASIC approved external dispute resolution body.

The Insurance Ombudsman Service (the Service) resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you. QBE is bound by the determination of the Service but the determination is not binding on you.

Your complaint should be made in writing and addressed to:

Financial Ombudsman Service Limited  
GPO Box 3  
Melbourne VIC 3001

Telephone 1300 780 808

If your dispute is about our collection, use, disclosure of, or access to your personal information, you may refer the matter to the Australian Privacy Commissioner who will investigate your concerns and make a decision at no cost to you.

## Taxation implications

### Goods and Services Tax

The Policy has provisions relating to GST. In summary, they are as follows but please read the provisions in full. They can be found in Part B Terms and Conditions, under the heading "How Goods and Services Tax affects any payments we make".

- The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.
- When we pay a claim, your GST status will determine the maximum amount we pay.

### Other taxation implications

There may be other taxation implications affecting you, depending upon your own circumstances. We recommend that you seek professional advice.

## Cancelling your Policy

### How you may cancel this Policy

- You may cancel this Policy at any time by telling us in writing that you want to cancel it. You can do this by giving notice to your Financial Services Provider.
- Where 'you' involves more than one person, we will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

### How we can cancel this Policy

- We may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
- We will give you this notice in person or send it to your address last known to us.

### The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

## Cooling-off information

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this you may notify your Financial Services Provider electronically or in writing within 21 days from the date the Policy commenced.

This cooling-off right does not apply if you have made or are entitled to make a claim. Even after the cooling-off period ends, you still have cancellation rights however your Financial Services Provider may deduct certain amounts from any refund for administration costs or any *non-refundable taxes*.

# PART B

## POLICY TERMS AND CONDITIONS

### TOTAL LOSS COMPUTER INSURANCE

#### Insurer

The Policy is underwritten by QBE Insurance (International) Limited (New Zealand branch).

#### Our agreement with you

This Policy is a legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy, occurring during the period of insurance shown on your Policy Schedule or any renewal period.

The excesses set out in the section headed "What you must pay if you make a claim – Excess" apply to all claims except where otherwise stated. The amount of any excess that applies to your Policy will be shown on your Policy Schedule.

The exclusions in the section(s) headed "When you are not covered" and conditions in the section "General Conditions" apply to all types of cover.

#### Your Policy

Your Total Loss Computer Insurance Policy consists of Part B (Terms and Conditions) of this booklet and the Policy Schedule we give you.

Please read your Policy carefully, and satisfy yourself that it provides the cover you require.

If you want more information about any part of your Policy, please ask us, or your Financial Services Provider.

You should keep your Policy Booklet and Policy Schedule together in a safe and convenient place for future reference.

#### How Goods and Services Tax affects any payments we make

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.

When we pay a claim, your GST status will determine the maximum amount we pay.

When you are:

- (a) Not registered for GST, the amount we pay is the sum insured / limit of indemnity or the other limits of insurance cover including GST.
- (b) Registered for GST, we will pay the sum insured / limit of indemnity or the other limits of insurance and where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as service to repair a Damaged item insured under the Policy) we will pay for the GST amount.

We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled if you made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS).

You must advise us of your correct Australian Business Number and Taxable Percentage.

Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured / limit of indemnity or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

## Words with special meanings

Some key words and terms used in this Policy have a special meaning.

If words and terms are only used in just one Section of the Policy, we will describe their special meaning in that Section.

Wherever the following words or terms are used in the Policy, they mean what is set out below:

Word or Term	Meaning
Market Value	The cost to buy property of a similar type, age and condition to the damaged or destroyed item at the time of the loss or damage: (a) Adjusted for any special features, and (b) Having regard to used prices guides and any other information.
Period of Insurance	The period shown in the Policy Schedule.
Policy Schedule	The schedule of insurance, or any endorsement schedule we give you.
Property Insured	The computer described in the Policy Schedule including standard equipment, tools and accessories (factory fitted or supplied by the computer manufacturer) which were in or on the computer at the time of purchase, including any carrying case.
Situation	The place where the Property Insured is normally kept, as shown on your Policy Schedule.
Total Loss	Where the Property Insured is lost or is damaged or destroyed to the extent it cannot be repaired by Computelec.
We, our, us	QBE Insurance (International) Limited
You, your	The person(s), school or other educational institution named on the current Policy Schedule as the Insured
Your family	Any member of your family who lives permanently with you, including your partner.

## COVER FOR YOUR PROPERTY INSURED

### What you are insured against

You are insured against the Total Loss to the Property Insured caused by any insured peril listed below and occurring during the Period of Insurance.

#### Insured Perils

Physical loss of, or damage to, or destruction of the Property Insured resulting in Total Loss, provided not otherwise excluded, caused by:

- (a) Accidental damage
- (b) Fire, lightning or thunderbolt
- (c) The acts of civil authorities through attempts to prevent the spread of fire

- (d) Theft:
  - I. Where there has been actual forcible and violent entry to the premises at the situation
  - II. By a person feloniously concealed on the premises at the situation
  - III. Where there has been a threat of violence or violent intimidation
  - IV. Where there has been actual forcible and violent entry to a securely locked vehicle in which the Property Insured is contained.
- (e) Flood resulting from inundation of normally dry land by water overflowing, escaping or released from the normal confines of any natural watercourse, lake (whether or not altered or modified), reservoir, canal or dam.
- (f) Malicious damage caused with intent and without your consent by persons other than your employees, tenants or your family.
- (g) Whilst in Transit
- (h) Aircraft or other aerial devices or articles dropped from them, sonic boom.
- (i) Earthquake, subterranean fire, volcanic eruption
- (j) Storm, tempest, rainwater, wind or hail
- (k) Water, liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or other systems
- (l) Riots, civil commotion, strikes or locked out workers or persons taking part in labour disturbances
- (m) Explosion
- (n) Impact by vehicles or animals

### What you are NOT insured against

#### Excluded Perils

You are not insured against loss, damage or destruction caused by, resulting from or arising out of:

1. mechanical, hydraulic, electrical or electronic breakdown, failure malfunction or derangement of any machine or electrical or electronic device.
2. moths, termites or other insects, vermin, rust or oxidation, mildew, mould, contamination or pollution, wet or dry rot, corrosion, change of colour, dampness or atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, change in flavour, texture or finish, smut or smoke from industrial operations
3. wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good
4. error or omission in design, plan or specification or failure of design
5. faulty materials or faulty workmanship
6. spontaneous combustion, fermentation, heating or any process involving the application of heat
7. cessation of work whether total or partial, or cessation, interruption or retarding of any process or operation as a direct result of strikes, labour disturbances or locked out workers
8. faults or defects known to you or any employee whose knowledge in law would be deemed to be your knowledge which were not disclosed to us at the time this insurance was arranged
9. erosion, subsidence or collapse
10. settling, expansion, shrinkage or seepage
11. any other movement of earth
12. boiler explosion
13. computer virus
14. data corruption caused by unauthorised amendment or erase of data by electronic or non electronic means

## General exclusions applying to this Policy

You are not insured against loss, damage, destruction, death, injury, illness, liability, cost or expense or any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or
2. Any act(s) of Terrorism  
For the purposes of this exclusion, 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 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
  - Involves violence against one or more persons, or
  - Involves damage to property, or
  - Endangers life other than that of the person committing the action, or
  - Create risk to health or safety of the public or a section of the public, or
  - Is designed to interfere with or to disrupt an electronic system
3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste of action of nuclear fission or fusion.

This Policy also excludes any loss, destruction, damage, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

## Additional exclusions applying to this Policy

This Policy does not cover:

1. loss, damage or destruction of any property which is not specified as Property Insured in the Policy Schedule
2. any consequential loss whatsoever
3. loss or damage caused by your wilful act or a wilful act carried out with your knowledge and consent
4. loss or damage relating to fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting or induced by deception.  
However this exclusion will not apply to theft by your employee where there has been forcible and violent entry to the premises at the situation or where there has been felonious concealment by someone at those premises
5. loss or damage arising from the detention, confiscation, destruction or requisition by any lawfully constituted authority other than is provided by this Policy.
6. loss or damage due to any process of repairing, restoring, dismantling, testing, experimenting or overloading
7. Property Insured whilst situated outside Australia for a period longer than 28 consecutive days any one trip

8. loss or distortion of data information or records contained on data media in or on any machine when it is Property Insured and/or the cost of reinstating, replacing, reproducing or restoring such data information or records
9. This Policy does not include transit in Afghanistan, Algeria, Angola (including Cabinda), Burundi, Chad, Columbia, Democratic Republic of Congo, Eritrea, Equatorial Guinea, Ethiopia, Haiti, Iran, Iraq, Israel and the Palestinian Authority, Ivory Coast, Kenya, Lebanon, Liberia, Niger, Nigeria, North Korea, Rwanda, Sierra Leone, Somalia, Sudan, Syria, former countries of Commonwealth of Independent States, Republic of Yemen.

## GENERAL CONDITIONS

### Changing your Policy

If you want to make a change to this Policy, the change becomes affective when:

- we agree to it, and
- we give you a new Policy Schedule detailing the change

### Other interests

You must not transfer any interests in the Policy without our written consent.

Any person whose interests you have told us about and we have noted on your Policy Schedule is bound by the terms of this Policy.

### This Policy is non-renewable

Cover under this Policy is only provided during the Period of Insurance shown in the Policy Schedule. The Policy can not be renewed nor the Period of Insurance extended.

### Cancelling your Policy

#### How you may cancel this Policy

- You may cancel this Policy at any time by telling us in writing that you want to cancel it.
- Where 'you' involves more than one person, we will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the Insured.

#### How we may cancel this Policy

- We may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
- We will give you this notice in person or send it to your address last known to us.

### Notices

Any notice we give you will be in writing, and it will be effective"

- If it is delivered to you personally, or
- If it is delivered or posted to your address last known to us.

It is important for you to tell us of any change of address as soon as possible.

## You must protect the Property Insured

You must take all reasonable precautions for the care, safety and protection of the Property Insured and comply with all statutory obligations, bylaws and regulations imposed by any public authority for the safety, use and storage of the Property Insured.

## Changes

You must tell us as soon as possible if circumstance occur, or if changes or alterations are intended or made which increase the risk of loss or damage to your Property Insured.

## CLAIMS

### What you must do

If an event happens which may give rise to a claim under this Policy you must:

- Tell Computelec as soon as possible. You will be provided with a claim form and advice on the procedure to follow
- Notify the police immediately if any of your Property Insured is lost, stolen or maliciously or intentionally damaged
- Supply all information required to settle the claim
- Take all reasonable precautions to prevent further loss, damage or liability

If in doubt at any time, ring us, or your Financial Services Provider, for advice.

### What can affect a claim

We will reduce the amount of the claim by the excess shown in the Policy Terms and Conditions or in the Policy Schedule.

We can refuse to pay a claim if you are in breach of your Duty of Disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to the Policy Schedule.

We may be entitled to refuse to pay or to reduce the amount of the claim if:

- It is in any way fraudulent, or
- Any fraudulent means or devices are used by you or anyone acting on your behalf to obtain benefits under this Policy.