

# Commercial Product Disclosure Statement Update

September 2022



## Vero Business Insurance Solutions

We have prepared this guide to help you compare the previous Vero Business Insurance Solutions Policy Product Disclosure Statement and Policy Wording (V10700 05/10/21 A) with the new version (V10700 27/10/22 A).

Please read the new PDS and Policy Wording (**PDS**) which is available at [vero.com.au](http://vero.com.au) for full details of the terms, conditions, limitations and exclusions. This is a summary of key changes only and also does not take into account any endorsements that may apply to the policy. This comparison does not constitute advice and should not be used by a potential insured for any purpose, including making a decision about a financial product or class of products. It is intended as a reference tool for brokers only and does not represent an exact or full outline of the **PDS** or available cover. This comparison is current as at 1 September 2022. The cover offered to an insured may vary from that described.

### Schedule of changes

For policies commencing on or after 27 October 2022.

#### Welcome to Vero Insurance

- New:**
- Details of the website for lodging claims online have been included

#### Part B: Your rights and responsibilities

- Removed:**
- The right to refuse the payment of claims if the insured pays by monthly instalments and is more than 14 days overdue has been removed from the "**Paying by monthly instalments**" section

#### Part E: Other information

- Changed:**
- **Terrorism and Cyclone Insurance Act 2003** – the name of the Act has been updated

#### Part F: Information for some policyholders

- Changed:**
- How various factors may affect your premium for Policy Sections 1, 2 and 3 (home building) – the table now includes age of building, building security and address and/or postcode as factors

## Part G: Business Insurance Solutions Policy wording

<b>New:</b>	<ul style="list-style-type: none"><li>• General Policy Condition 17 – "The amount of cover" has been included</li><li>• A General Definition of <b>contamination</b> has been included</li><li>• General Definitions for <b>personal information</b> and <b>private and confidential information</b> – these are applicable to Policy Section 7 – Management Liability and Policy Section 9 – Public and Products Liability</li></ul>
<b>Changed:</b>	<ul style="list-style-type: none"><li>• General Exclusion "<b>Data loss</b>" no longer applies to Policy Section 7 – Management Liability and Policy Section 9 – Public and Products Liability</li></ul>
<b>Removed:</b>	<ul style="list-style-type: none"><li>• General Exclusion "<b>Data liability</b>" deleted – specific exclusions are now included in Policy Section 7 – Management Liability and Policy Section 9 – Public and Products Liability</li></ul>

## Policy section 1: Property damage

<b>New:</b>	<ul style="list-style-type: none"><li>• Definition of <b>debris</b> included – applicable to Extra Cover 11 – "Removal of debris and temporary repairs"</li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• <b>What we will pay</b> – has been updated to reflect when we when repair or replace or when only cash settlement will be offered. For buildings the basis of settlement is either repair/rebuild/replacement or cash settlement, depending on the circumstances. For contents and specified items, the basis of settlement is cash settlement. Now states the amounts paid are as adjusted by the Extra Covers, Additional Benefits and Policy Section Conditions</li><li>• In exclusion 6 (a) 'provided that this exclusion 6 (a) shall not apply to subsequent loss, destruction of or damage to the <b>property insured</b> occasioned by a peril (not otherwise excluded) resulting from any <b>event</b> or peril referred to in this exclusion 6(a), provided that the <b>event</b> or peril is not otherwise excluded;' is moved to below part (iv) of the exclusion</li><li>• <b>Extra Covers</b> preamble has been amended to explain when only cash settlement will be offered</li><li>• Extra Cover 1 – <b>Capital additions</b> – specifies that capital additions are covered as if the new additions or installations were insured buildings or contents</li><li>• Extra Cover 11 – "<b>Removal of debris and temporary repairs</b>" – sets out four categories of costs that are covered and excludes costs of removing contaminants or pollutants from outside the premises that do not form part of the construction material of the building</li><li>• <b>Additional Benefits</b> preamble has been amended to explain when only cash settlement will be offered</li><li>• <b>Worked dollar claim example 1</b> updated with reference to how removal of debris claims are settled</li></ul>

## Policy section 2: Theft

<b>Change:</b>	<ul style="list-style-type: none"><li>• <b>What we will pay</b> – has been amended to explain that only cash settlement will be offered</li><li>• <b>Extra Covers</b> preamble has been amended to explain that only cash settlement will be offered</li><li>• <b>Additional Benefits</b> preamble has been amended to explain that only cash settlement will be offered</li></ul>
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## Policy section 3: Glass

<b>Change:</b>	<ul style="list-style-type: none"><li>• <b>What we will pay</b> – has been updated to reflect when we when repair or replace and when only cash settlement will be offered. If it is not practical or possible for us to arrange for the replacement of lost or damaged glass by a member of our repair network, we will cash settle the claim</li><li>• <b>Extra Covers</b> preamble has been amended to explain that only cash settlement will be offered</li><li>• <b>Additional Benefits</b> preamble has been amended to explain that only cash settlement will be offered</li></ul>
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#### Policy section 4: Machinery Breakdown and electronic equipment

<b>Change:</b>	<ul style="list-style-type: none"><li>• <b>What we will pay</b> – been updated to explain that only cash settlement will be offered</li><li>• <b>Extra Covers</b> preamble has been amended to explain that only cash settlement will be offered</li><li>• <b>Additional Benefits</b> preamble has been amended to explain that only cash settlement will be offered</li></ul>
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#### Policy section 5: Money

<b>Change:</b>	<ul style="list-style-type: none"><li>• <b>What we will pay</b> – has been updated to explain that only cash settlement will be offered</li><li>• <b>Extra Covers</b> preamble has been amended to explain that only cash settlement will be offered</li><li>• <b>Additional Benefits</b> preamble has been amended to explain that only cash settlement will be offered</li></ul>
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#### Policy section 6: General property

<b>Change:</b>	<ul style="list-style-type: none"><li>• <b>What we will pay</b> – has been updated to explain that only cash settlement will be offered</li></ul>
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#### Policy section 7: Management Liability

<b>New:</b>	<ul style="list-style-type: none"><li>• New exclusions <b>16. – “Cyber act or malware or similar mechanism”</b> and <b>17. – “Privacy or confidential information breach”</b></li><li>• New exclusions in <b>Optional insurance 1. Employee dishonesty</b> – (h) in respect of confidential information and (i) in respect of loss of records</li><li>• New definition of <b>privacy or confidential information breach</b> applicable to new exclusion 17. – “Privacy or confidential information breach”</li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• exclusion (f) amended to “loss of profit or income, loss of use, loss of earning capacity or any other loss or damage including but not limited to that caused by delay, lack of performance, loss of contract or depreciation in value that is not insured <b>fidelity loss</b>;”</li><li>• Definition of <b>covered property</b> amended – does not include data</li></ul>

#### Policy section 8: Business Interruption

<b>New:</b>	<ul style="list-style-type: none"><li>• Common clauses – Item 4 – Claims preparation costs (formerly “Item 4. Claim preparation and proving expenses”) is amended to read “ <b>We will pay you</b> up to \$25,000 or the “additional claims preparation costs” amount shown in the <b>policy schedule</b> for the costs of such reasonable professional fees as may be payable by <b>you</b> and other such reasonable expenses necessarily incurred by <b>you</b> and not otherwise recoverable, for preparation and negotiation of claims under this Policy Section.”</li></ul>
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## Policy section 9: Public and Products Liability

<b>New:</b>	<ul style="list-style-type: none"><li>Definitions of <b>bodily injury</b> and <b>loss of use</b> have been included– these are applicable to the updated exclusion 18. – “Data, cyber, privacy breach, confidential or personal information breach and internet and computer operations”</li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>What we exclude – <b>5. – “Vehicles”</b> – an exclusion of “driving under the influence” and driving whilst unlicensed has been included</li><li>What we exclude – <b>7. – “Professional duty”</b> – writeback (a) is now “However, this exclusion does not apply to claims: (a) arising out of the rendering of or failure to render first aid by persons employed by <b>you</b> to provide first aid on <b>your premises;</b>”</li><li>What we exclude – <b>18. – “Internet and computer operations”</b> replaced by <b>18. – “Data, cyber, privacy breach, confidential or personal information breach and internet and computer operations”</b>. Excludes:<ul style="list-style-type: none"><li>a. access to or disclosure of private and confidential information or personal information (with writeback for property damage, bodily injury and advertising liability)</li><li>b. loss of data/inability to use data/loss of use of data (with writeback for property damage, bodily injury or advertising liability)</li><li>c. corruption of computer system (with writebacks for property damage, bodily injury, mental anguish, mental injury, shock, fright or loss of consortium and advertising liability)</li><li>d. internet operations (with writeback for manufacturer’s product information)</li><li>e. provision of computer or telecommunications services by or on behalf of the insured</li></ul>Also the exclusion amends the definition of property damage</li></ul>

## Policy section 10: Goods in Transit

<b>Change:</b>	<ul style="list-style-type: none"><li><b>Extra Covers</b> preamble has been updated to explain that except for Extra Cover 6 – ‘General average and salvage contribution’ only cash settlement will be offered</li><li><b>Additional Benefits</b> preamble has been amended to explain that only cash settlement will be offered</li><li><b>Limits to what we will pay</b> amended to explain that only cash settlement will be offered</li></ul>
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## Policy section 12: Commercial Motor

### Change:

- **Extra Covers** preamble has been amended to explain which Extra Covers are settled by cash settlement only
- Extra Cover 5 – “**Emergency repairs**”, the following statement removed as claims are always cash settled for this Extra Cover “If you need emergency repairs, we give you the authority to arrange these matters on our behalf.”
- Extra Cover 6 – “**Emergency travel**”, the following statement removed as claims are always cash settled for this Extra Cover “If you need emergency travel, we give you the authority to arrange these matters on our behalf.”
- Extra Cover 7 – “**Emergency accommodation**”, the following statement removed as claims are always cash settled for this Extra Cover “If you need emergency accommodation, we give you the authority to arrange these matters on our behalf.”
- **Additional Benefits** preamble has been amended to explain that for Additional Benefit ‘2. Locks and keys’ only cash settlement will be offered
- Additional Benefit 3 – “**Hire vehicle**”
  - benefit limit increased from \$40,000 to \$50,000
  - excess increased from \$500 to \$1,000 (unless higher amount by endorsement applies) in addition to any applicable age or inexperienced driver excesses
  - benefit applies when hiring “in Australia for the purposes of your business, for a period of no longer than thirty (30) days”