

# Commercial Product Disclosure Statement Update

October 2021



## Vero Business Insurance

We have prepared this guide to help you compare previous versions of the Vero Business Insurance Policy Product Disclosure Statement and Policy Wording (V10162 12/08/2017 A and V10162 25/05/21 A, depending on policy commencement date) with the new version (V10162 05/10/21 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 August 2021. The cover offered to an insured may vary from that described.

### Schedule of changes

For policies commencing on or after 25 May 2021

#### Part G: Business Insurance Policy Wording

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| <b>New:</b> | <ul style="list-style-type: none"><li>• General Policy Conditions:<ul style="list-style-type: none"><li>• 10. Governing Law</li><li>• 11. If your contact details change</li><li>• 12. The amount of cover</li></ul></li><li>• General Claims Conditions:<ul style="list-style-type: none"><li>• 17. Motor vehicle claims</li><li>• 18. Conduct towards us</li></ul></li><li>• General definitions - Communicable disease</li><li>• General Exclusion 9. Communicable disease (not applicable to Policy Sections 6, 7 and 10)</li></ul> |
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## Part G: Business Insurance Policy Wording (cont.)

<b>Change:</b>	<ul style="list-style-type: none"><li>• General Policy Conditions – clauses updated to provide more clarity and transparency to the insured.<ul style="list-style-type: none"><li>• Preamble – consequence of non-compliance</li><li>• 1. Change to Risk</li><li>• 2. Taking steps to reduce risks</li><li>• 3. Hazardous or dangerous goods</li></ul></li><li>• General Claims Conditions – clauses updated to provide more clarity and transparency to the insured.<ul style="list-style-type: none"><li>• Preamble – consequence of non-compliance</li><li>• All existing General Claim Conditions have been updated.</li></ul></li><li>• General Claims Condition '7. Notification of other insurance' has moved from General Policy Conditions</li></ul>
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## Applicable to all Policy Sections

<b>Change:</b>	<ul style="list-style-type: none"><li>• Extra Covers – sub-limit amount clause moved from “What we exclude” to “What we cover”</li><li>• Additional Benefits – sub-limit amount clause moved from “What we exclude” to “What we cover”</li><li>• Policy Section Conditions (if applicable) – preamble updated to specify the consequence of non-compliance.</li></ul>
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## Policy Section 1: Property Damage

<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion 3. Consequential loss is revised to 3. Extra costs or other losses.</li><li>• Insured Event 3. Lightning or thunderbolt – clauses reworded for clarity, transparency, and fairness to the insured.</li><li>• Additional Benefit 8 –<ul style="list-style-type: none"><li>• renamed to 8. Damage to glass, windows, doors and showcase frames in vacant buildings</li></ul></li><li>• cover is restricted to a vacant area of the building which is not leased to a tenant</li><li>• What we will pay – clauses updated to provide more clarity and transparency to the insured on settlement process.</li></ul>
<b>Removed:</b>	<ul style="list-style-type: none"><li>• Policy Section exclusion 4. Cyclone and bushfire.</li></ul>

## Policy Section 2: Theft

<b>Uplift:</b>	<ul style="list-style-type: none"><li>• Extra Cover 3. Temporary protection from \$5,000 to \$10,000 for one event</li><li>• Additional Benefit 1. Theft of external property from \$5,000 to \$10,000 for all claims in period of insurance</li><li>• Additional Benefit 2. Directors' and employees' tools of trade and personal effects<ul style="list-style-type: none"><li>• new total \$10,000 sub-limit for cover under this additional benefit and Additional Benefit 3. Directors' and employees' personal effects in Policy Section 4 – Money if loss covered under both these Policy Section Additional Benefits</li></ul></li><li>• Additional Benefit 3. Employee dishonesty<ul style="list-style-type: none"><li>• new total \$10,000 sub-limit for cover under this additional benefit and Additional Benefit 1. Employee dishonesty in Policy Section 4 – Money if loss covered under both these Policy Section Additional Benefits.</li></ul></li><li>• Additional Benefit 4. Developing security images<ul style="list-style-type: none"><li>• New sub-limit of \$1,000 for one event</li><li>• New total \$1,000 sub-limit for cover under this Additional Benefit and Additional Benefit 2. Developing security images in Policy Section 4 – Money if loss covered under both these Policy Section Additional Benefits.</li></ul></li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion 6. Consequential loss is revised to 5. Extra costs or other losses.</li></ul>

## Policy Section 3: Glass

<b>New:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion 3. Glasshouse</li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion 4. Consequential loss is revised to 5. Extra costs or other losses.</li><li>• Policy Section Exclusion 1 and 5 are combined under 1. Heat, fire or flood.</li></ul>

## Policy Section 4: Money

<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion 6. Consequential loss is revised to 6. Extra costs or other losses.</li><li>• Definition of Money is revised to provide clarity in respect that 'money' does not include any kind of crypto-currency.</li></ul>
<b>Uplift:</b>	<ul style="list-style-type: none"><li>• Extra Cover 2. Temporary protection from \$5,000 to \$10,000 for one claim</li><li>• Extra Cover 4. Seasonal increase on money from \$50,000 to \$75,000.</li><li>• Additional Benefit 1. Employee dishonesty from \$5,000 to \$10,000 for all claims for employee dishonesty during the period of insurance.</li><li>• Additional Benefit 5. Travellers' money<ul style="list-style-type: none"><li>• \$1,000 to \$5,000 for one event</li><li>• \$2,000 to \$10,000 for one period of insurance</li></ul></li><li>• Additional Benefit 6. Counterfeit money from \$500 to \$750.</li><li>• What we will pay #8(c) "money on the premises outside business hours", from \$2,000 to \$3,000.</li></ul>

## Policy Section 5: Business Interruption

<b>New:</b>	<ul style="list-style-type: none"><li>• Policy Section Condition 4. Indemnity period shorter than twelve months</li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• Insured Event 2. Boiler explosion, new exclusion for loss or damage to pressure vessels or their contents which require certification added.</li><li>• Insured Event 8. Infectious diseases, murder, suicide - cover is now limited to curtailed named infectious diseases (refer to the PDS for when cover is provided for these diseases). A sub-limit and 48 hour time deductible are now applicable to this insured event. Cover is subject to a new communicable disease general exclusion and communicable disease general definition.</li></ul>
<b>Uplift:</b>	<ul style="list-style-type: none"><li>• Insured Event 1. Loss or damage cover extended to include (b) - "a strata owner or a tenant of the building and [you] do not insure the building, damage to the building..."</li><li>• Insured Event 3. Utilities extension, cover (d)(iv) added for interruption of supply for greater than 48 hours</li><li>• Optional Insurance 3. Additional outstanding accounts receivable cover extended to include (b)(iii) for "strata owner or a tenant of the building and do not insure the building, damage to the building..."</li></ul>
<b>Removed:</b>	<ul style="list-style-type: none"><li>• Extra Cover 6. Government incentives.</li></ul>

## Policy Section 6: Public and Products Liability

<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion 19. Libel or slander revised due to recent Legal changes to now read 'Defamation'.</li><li>• Policy Section Exclusions - clauses revised to provide clarity on Australian Standards:<ul style="list-style-type: none"><li>• 21. Hot work</li><li>• 22. Underground works</li></ul></li><li>• Additional Benefit 6. Non-manual work worldwide cover, new exclusion added</li></ul>
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## Policy Section 7: Management Liability

<b>Change:</b>	<ul style="list-style-type: none"><li>• All instances of "occupational health and safety" are replaced by "workplace health and safety"</li><li>• Wording updated to reflect 'financial loss' as correct intent of coverage.</li><li>• Policy Section Conditions updated<ul style="list-style-type: none"><li>• 4. Notification</li><li>• 5. Claims conduct</li><li>• 7. Allocation of loss</li><li>• 8. Recoveries (was "Subrogation and recoveries")</li></ul></li></ul>
<b>Removed:</b>	<ul style="list-style-type: none"><li>• Policy Section Conditions 11. Governing law moved to General Policy Condition.</li><li>• Policy Section Condition 12. Interpretation the singular includes the plural and vice versa.</li></ul>
<b>New:</b>	<ul style="list-style-type: none"><li>• Definition of 'Financial loss' added to provide more clarity.</li></ul>

## Policy Section 8: Portable and Valuable Items

<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion (g) is revised to: (g) loss of profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not covered under this Policy Section</li><li>• What we will pay – clauses updated to provide more clarity and transparency to the insured on settlement process.</li></ul>
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## Policy Section 9: Equipment Breakdown

<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion (c) is revised to:<ul style="list-style-type: none"><li>(i) delay or interruption of your business;</li><li>(ii) lack of power, light, heat, steam or refrigeration; or</li><li>(iii) any other indirect result of a breakdown including loss of profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss that is not covered under this Policy Section.</li></ul></li><li>• What we will pay – clauses updated to provide more clarity and transparency to the insured on settlement process.</li></ul>
<b>Remove:</b>	<ul style="list-style-type: none"><li>• Policy Section Conditions – the following have been removed:<ul style="list-style-type: none"><li>• 3. Obligation to prevent loss</li><li>• 5. Resumption of business.</li></ul></li></ul>

## Section 10: Tax Probe

<b>New:</b>	<ul style="list-style-type: none"><li>• Policy Section Condition 1. Your Obligations</li><li>• Definitions added to provide more clarity:<ul style="list-style-type: none"><li>• Intentional disregard</li><li>• Recklessness</li></ul></li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusions 2. Representations, errors in information and improper conduct - sub-paragraph (e): notification period increased from 30 days to 90 days.</li><li>• Policy Section Condition 4. Claims - sub-paragraph (a): notification period increased from 30 days to 90 days.</li><li>• Definition of Designated tax is revised to include amendments to legislation and regulations.</li><li>• Definition of Shortfall amount is revised for more clarity.</li></ul>

## Policy Section 11: Commercial Motor

<b>New:</b>	<ul style="list-style-type: none"><li>• Worked dollar claim example on How underinsurance applies to partial loss claims</li><li>• Definitions:<ul style="list-style-type: none"><li>• Assessed quote</li><li>• Value of your vehicle</li></ul></li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• Part 1, Extra Cover 1. New vehicle after total loss now includes “ex-demonstration” model if the insured purchased it from a licensed motor dealer who was the first registered owner of the vehicle.</li><li>• What we will pay under Part 1– clauses updated to provide more clarity and transparency to the insured on settlement process.</li><li>• Part 2 Extra Covers are now Additional Benefits:<ul style="list-style-type: none"><li>• 1. Damage by uninsured drivers</li><li>• 2. Emergency services</li></ul></li><li>• Part 1 Additional Benefit 3 renamed to 3. Hire Vehicle</li><li>• Optional Insurance 2. Rental vehicle after accident is revised to provide more clarity and transparency to the insured regarding cover for a rental vehicle</li><li>• Excess – clauses updated to provide more clarity and transparency to the insured on when and how to pay the excess.</li><li>• Policy Section Exclusion “for consequential losses (financial and non-financial loss) or extra costs following an event covered by this policy” is revised to: “for the following financial and non-financial loss or extra costs following loss or damage to your vehicle covered by this Policy Section”</li><li>• Definitions revised to provide more clarity and transparency<ul style="list-style-type: none"><li>• Market value</li><li>• Partial loss</li><li>• Total loss</li></ul></li></ul>
<b>Removed:</b>	<ul style="list-style-type: none"><li>• Definition of ‘Reasonable repair cost’ is removed. See new definition of ‘Assessed quote’</li></ul>

## Policy Section 12: Goods in Transit

<b>New:</b>	<ul style="list-style-type: none"><li>• Policy Section Exclusion added for:<ul style="list-style-type: none"><li>• loss or damage caused directly or indirectly because you do not comply with the Australian Code for the Transport of Dangerous Goods by Road and Rail or the Australian Code for the Transport of Explosives by Road or Rail current at the time of the loss or damage (or any subsequent replacement or amendment Code)</li></ul></li></ul>
<b>Change:</b>	<ul style="list-style-type: none"><li>• What we will pay – clauses updated to provide more clarity and transparency to the insured on settlement process.</li></ul>

For policies commencing on or after 05 October 2021, the below changes also apply.

### Part G: Business Insurance Policy Wording

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| <b>New:</b> | <ul style="list-style-type: none"><li>• General Definitions - Computer system, Cyber Act, Cyber Incident, Malware or Similar Mechanism</li><li>• General Exclusion<ul style="list-style-type: none"><li>• 7. Cyber Incidents and cyber acts</li><li>• 8. Data Loss</li><li>• 9. Data Liability</li></ul></li></ul> |
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| <b>Change:</b> | <ul style="list-style-type: none"><li>• General Definitions – Data now references computer system.</li><li>• General Exclusion – Sanctions is renumbered to 10. Sanctions</li><li>• General Exclusion – Communicable Diseases is renumbered to 11. Communicable Diseases</li></ul> |
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### Policy Section 1: Property Damage

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| <b>Change:</b> | <ul style="list-style-type: none"><li>• Extra Covers 2. Rewriting of Records differentiates between restoring data on media and rewriting tangible records.</li><li>• Additional Benefit 3. Damage to business records away from the premises clarified to tangible records.</li><li>• Definitions: Contents (g) amended to remove data</li></ul> |
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### Policy Section 2: Theft

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| <b>Change:</b> | <ul style="list-style-type: none"><li>• Extra Cover 5. Rewriting of documents limited to tangible records.</li><li>• Additional Benefits: 5. Funeral Expenses renamed to 5. Death following assault and cover amended to be a cash payment of \$10,000 to the estate of deceased person in the event of death.</li><li>• Definitions: Contents (e) amended to remove data</li></ul> |
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### Policy Section 4: Money

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| <b>Change:</b> | <ul style="list-style-type: none"><li>• Additional Benefits: 4. Funeral Expenses renamed to 4. Death following assault and cover amended to be a cash payment of \$10,000 to the estate of deceased person in the event of death.</li></ul> |
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## Policy Section 5: Business Interruption

### Change:

- Insured Event 10. Documents temporarily removed clarified to tangible documents.

## Policy Section 6: Public and Products Liability

### Change:

- Policy Section Exclusion 18. Internet and computer operations amended to provide further clarity

## Policy Section 8: Portable and Valuable Items

### Remove:

- Policy Section Exclusion (h) is removed as duplicates Data Loss general exclusion.

## Policy Section 9: Equipment Breakdown

### Change:

- Policy Section Exclusion (e) revised to:  
(e) **loss** caused by or resulting from the partial or total failure, malfunction or loss of use of any **electronic equipment**, computer system, information repository, microchip, integrated circuit or other similar device due to the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility.  
However, **we** will pay for **losses** that result solely from the **breakdown** of any other **insured equipment** which is covered by this Policy Section.
- Optional Insurance 2. Restoration of computer data – what we exclude has been amended.

## Policy Section 11: Commercial Motor

### Change:

- Part 1, Extra Cover 3. Funeral Expenses renamed to Death of Driver and cover amended to be a cash payment of \$10,000 to the estate of deceased person in the event of death.