

The following changes to the Kennards Discretionary Trust Product Disclosure Statement will come into effect on and from 3 March 2025 at 4pm local time.

References to the 'Old PDS' means the PDS with an effective date of 30 September 2024. References to the 'New PDS' means the PDS with the publication date of 30 January 2025.

1. Underneath the heading 'Privacy' on page 12 of the PDS, paragraph 6 has been updated to include "Europe,", prior to "Canada" and now reads:

We may also disclose personal information to contractors who supply services to us and the providers of our administration and broking systems which are maintained by organisations in Australia, New Zealand, Europe, Canada, the Philippines and Vietnam.

2. Page 15, exclusion 1 has been deleted and replaced in the New PDS with:

1. Loss, destruction of, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

a. ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or

d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

3. Page 15, exclusion 2, line 1 of paragraph 3 of the Old PDS, the word "covered" before "property" has been deleted, whereby paragraph 3 of exclusion 2 of the New PDS reads as follows:

This exclusion applies regardless where there is (i) any physical loss or damage to property; (ii) any covered peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, clean-up, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

4. Exclusion 5 on page 15, the word "bullion," has been inserted after "gold," to now read:

5. Currency, deeds, securities, money, notes, jewellery, watches, precious stones, gold, bullion, precious metals, furs or garments trimmed with fur.

5. Exclusion 6 on page 15, the "/" has been deleted and replaced by "or" to read:

6. Livestock or animals.

6. Exclusion 7 on page 15 of the Old PDS has been deleted and replaced in the New PDS with:

7. Registered or unregistered vehicles, motorcycles, caravans, plant or machinery.

7. At page 15 of the New PDS a new exclusion 8 has been inserted which will impact the numbering of the exclusions:

8. Registered trailers.

8. Exclusion 8 on page 15 of the Old PDS, now exclusion 9 on page 15 of the New PDS, has been updated to read:

9. Boats or watercraft or aircraft (including its accessories and/or parts).

9. Exclusion 10 on page 15 of the Old PDS has been deleted and replaced in the New PDS with the following, as exclusion 11:

11. Biological, pathogenic, poisonous biological or chemical materials including but not limited to any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

10. Exclusion 14 on page 15 of the Old PDS has been updated in the New PDS on page 16 as exclusion 15 to read:

15. Hazardous goods including but not limited to fireworks, explosives, flammable or chemical goods.

11. The first sentence of exclusion 16 on page 15 of the Old PDS has been deleted and replaced in the New PDS on page 16, now numbered exclusion 17 with:

17. Physical loss, destruction or damage occasioned by or happening through:

12. Exclusion 18 on page 16 of the Old PDS has been deleted and replaced on page 16 of the New PDS, now numbered exclusion 19:

19. Physical loss, destruction, damage, cost or expense of any nature directly or indirectly caused by or resulting from damage to any asbestos related material.

13. Exclusion 19 on page 16 of the Old PDS has been deleted.

14. Exclusion 20 on page 16 of the Old PDS has been deleted and replaced in the New PDS on page 16 with:

20. Loss, damage, claim, cost, expense or other sum, destruction or damage directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

Loss, damage, claim, cost, expense or other sum includes, but is not limited to, any cost to clean up, detoxify, remove, monitor or test for a Communicable Disease, or any property that is affected by a Communicable Disease.

Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- a. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and*
- b. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and*
- c. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.*

15. Exclusion 22 on page 16 of the Old PDS has been deleted and replaced in the New PDS at pages 16 and 17 with:

22. Loss, destruction 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.

16. Exclusion 24 on page 16 of the Old PDS has been updated in the New PDS at page 17 to read:

24. Loss of profits, consequential loss or legal liability of any kind.

17. Exclusion 25 on page 16 of the Old PDS has been updated in the New PDS at page 17 to read:

25. Physical loss, destruction or damage occasioned by or happening through:

- a. flood, which means the covering of normally dry land by water that has escaped or been released from the normal confines of any lake, or any river, creek or other natural watercourse, whether or not altered or modified; or any reservoir, canal, or dam.*

This exclusion does not apply if the loss, destruction or damage is caused by or arises out of an earthquake or seismological disturbance.

18. Exclusion 26 on page 16 of the Old PDS has the following wording added at the start of the sentence, now on page 17 in the New PDS:

26. Physical loss, destruction or damage occasioned by or happening through

19. Exclusion 27 of the Old PDS has been deleted.

20. Exclusion 28 on pages 16 and 17 of the Old PDS has been deleted and replaced with exclusions 27 and 28 on page 17 of the New PDS with:

27. Any loss, destruction, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with an act of terrorism regardless of any other cause or event

contributing concurrently or in any other sequence to the loss. An act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

28. Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism. An act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

21. The following exclusions have been added into the New PDS and are located on pages 17 to 18.

29. Any property prohibited from being stored in accordance with a Member's storage agreement with the Advocate.

30. Property in the open air.

31. Any Claim arising out of the total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data and/or Software.

Electronic data means facts, concepts, and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment.

Software means programs, procedures and routines associated with the operation of electronic or electromechanical data processing or electronically controlled equipment, including any operating system.

32. Physical loss, destruction or damage occasioned by or happening through spontaneous combustion, spontaneous fermentation or heating or any process involving the direct application of heat. This exclusion shall be limited to the item or items immediately affected and shall not extend to other property damaged as a result of such spontaneous combustion, fermentation or heating or process involving the direct application of heat.

33. Physical loss, destruction or damage occasioned by or happening through erosion, subsidence, earth movement or collapse resulting therefrom. This exclusion shall not apply to subsequent loss, destruction or damage to property occasioned by a peril (not otherwise excluded) resulting from any event or peril referred to in this exclusion.

34. Cyber loss, meaning any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

Cyber Incident means any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Member or any other party.

35. Loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data; regardless of any other cause or event contributing concurrently in any other sequence thereto. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System. Computer system is defined in exclusion 34.

22. The 'Sanction Limitation and Exclusion Clause' has been updated on page 18 of the New PDS to read:

Sanction Limitation and Exclusion Clause

We will not be liable to provide any cover, pay any claim or provide any benefit under this arrangement, to the extent that to do so may expose us to any sanction, prohibition, or restriction under any United Nations resolution(s) or any applicable trade or economic sanctions, laws or regulations of any country.

23. A new section is added to the New PDS on page 18, following 'Sanction Limitation and Exclusion Clause' and before 'Contact details':

Fraud

If any Claim be in any respect fraudulent or if any fraudulent means or devices be used by a Member or anyone acting on the Member's behalf to obtain any benefit under this cover, or if any destruction or damage be occasioned by the wilful act or with the connivance of the Member, without prejudice to any other right(s) the Trustee might have under the Discretionary Trust, shall be entitled to refuse to pay such claim.

As a result of exclusion 29 being added to the New PDS, please be advised that the following is not covered by the discretionary trust:

- goods that are:
 - environmentally harmful;
 - illegal;
 - stolen;
- goods that are irreplaceable such as e-cigarettes, vapes or vaping products;
- inflammable goods;
- perishable goods;

- goods that are a risk to the property of any person.

The other amendments in the PDS are immaterial in nature and are made in order to make certain information clearer. Please refer to the updated PDS at: <https://www.kss.com.au/help-centre/benefits/Protection-Cover?srsltid=AfmBOor82YH0ME5r2xr0mOO7rWFPN8Pw6maebxMffjr36vPQuyIDOKFz>.

Kind Regards,

Alternative Risk Management Services Pty Ltd