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UNDERWRITING



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COMBINED LIABILITY INSURANCE

For Real Estate Agents

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IMPORTANT INFORMATION

INTRODUCTION

Welcome and thank you for choosing **Us** as your insurance provider.

We work in partnership with **Your** insurance broker or intermediary who will be happy to answer any questions **You** may have concerning the **Policy**.

This document contains the details of **Your Policy**. This **Policy** consists of individual Sections and **You** should read it together with **Your Schedule**, which contains information about the **Policy** as it applies to **You** and **Your** business.

Because **We** don't know **Your** personal circumstances, **You** should treat any advice in this **Policy** as purely general in nature. It doesn't consider **Your** objectives, financial situation or needs. **You** should carefully consider the information provided with regard to **Your** personal circumstances to decide if it is right for **You**.

Keep this information in a safe place - it contains important information about **Your Policy** should **You** want to make a claim or make changes to **Your** insurance cover. This **Policy** is only valid when a completed **Schedule** is attached to it.

About Hutch

Hutch Underwriting Pty Ltd ABN 84 655 256 134, authorised representative number 001 296 345 (Hutch Underwriting) is an authorised representative of CoverRadar Group Pty Ltd ABN 14 641 225 809, AFS Licence number 523647 of L6, 7-15 Macquarie Place, Sydney, NSW, 2000

Hutch Underwriting issues and manages **Your** insurance policy and acts on behalf of certain underwriters at Lloyds, led Munich Re Syndicate 457.

This means that when issuing this **Policy**, Hutch Underwriting will be acting on behalf of the **Insurers**, not for **You**.

Postal Address: L6, 7-15 Macquarie Place,
Sydney, NSW, 2000
Tel: 1300 256 056

Email: help@hutchunderwriting.com.au

Your insurance broker will arrange this insurance for **You** on **Your** behalf. If **You** have any questions or need any further information concerning **Your** insurance, **You** should contact **Your** insurance broker to assist **You** with **Your** inquiry. **You** should direct all of **Your** correspondence to Hutch Underwriting through **Your** insurance broker.

About the Insurer

This **Policy** is insured by certain underwriters at Lloyd's, led by Munich Re Syndicate 457. The definitive numbers and the proportions underwritten by the Lloyd's underwriters, can be supplied on application. In consideration of the premium specified in the **Schedule**, the underwriters are bound, severally and not jointly, each for their own part and not one for another, their executors and

administrators, to insure in accordance with the terms and conditions contained in the **Policy** or any endorsement.

About Lloyd's

Lloyd's is the world's leading insurance and reinsurance marketplace. Through the collective intelligence and risk-sharing expertise of the market's underwriters and brokers, Lloyd's helps to create a braver world.

The Lloyd's market provides the leadership and insight to anticipate and understand risk, and the knowledge to develop relevant, new and innovative forms of insurance for customers globally.

It offers the efficiencies of shared resources and services in a marketplace that covers and shares risks from more than 200 territories, in any industry, at any scale.

And it promises a trusted, enduring partnership built on the confidence that Lloyd's protects what matters most: helping people, businesses and communities to recover in times of need.

Lloyd's began with a few courageous entrepreneurs in a coffeeshop. Three centuries later, the Lloyd's market continues that proud tradition, sharing risk in order to protect, build resilience and inspire courage everywhere.

Visit www.lloyds.com for more information.

About This Policy - Notice to the Insured

This **Policy** is a legal contract. Please read it carefully to ensure that it is in accordance with **Your** requirements and that **You** understand its terms and conditions. **Your** insurance broker or intermediary who arranged this **Policy** should be contacted as soon as reasonably practicable if any correction is necessary.

When drawing up this insurance, **We** have relied on the information and statements that **You** have provided in the proposal form declaration or statement of fact. Please read this **Policy** carefully to ensure that it meets **Your** requirements.

"Claims Made and Notified" General Information

The information under this heading is provided for general information purposes only and does not form part of the contract of insurance or impose any contractual obligations on any **Insured** or create contractual rights between us.

Certain insuring clauses in this **Policy** operate on a "claims made and notified" basis, which means that they:

- cover claims made against the relevant insured and notified to the insurers in writing during the **Policy Period**; and
- do not provide cover in relation to:
 - claims made against an insured after the expiry of the **Policy Period**, even though the event giving rise to the claim may have occurred during the **Policy Period** (unless specified otherwise);
 - claims made against an insured notified or arising out of facts or circumstances notified (or

which ought reasonably to have been notified) under any previous policy;

- claims made, threatened or intimated against an Insured prior to the commencement of the **Policy Period**;
- facts or circumstances of which an insured first became aware prior to the **Policy Period**, and which they knew, or ought reasonably to have known, had the potential to give rise to a claim under the **Policy**;
- claims arising out of circumstances noted on the proposal for the current **Policy Period** or on any previous proposal form;
- claims arising from civil, administrative, criminal or regulatory proceeding, investigation, arbitration or adjudication that existed prior to, or was pending before, the commencement of the **Policy Period**.

If the insured gives notice in writing to the insurers of any facts that might give rise to a claim against them as soon as reasonably practicable after they become aware of those facts, but before the expiry of the **Policy Period**, they may have rights under Section 40(3) of the *Insurance Contracts Act 1984* (Cth) ("the Act") to be indemnified in respect of any claim subsequently made against them arising from those facts, notwithstanding that the claim is made after the expiry of the **Policy Period**.

Such rights arise under the Act only. The terms of the **Policy** and the effect of the **Policy** is that the **Insured** is not covered for claims made against them after the expiry of the **Policy Period**, unless specified otherwise.

Language

The language of this contract of insurance will be English.

Duty of Disclosure

Before **You** enter into an insurance contract, **You** have a duty to tell **Us** anything that **You** know, or could reasonably be expected to know, may affect **Our** decision to insure **You** and on what terms. **You** have this duty until **We** agree to insure **You**. **You** have the same duty before **You** renew, extend, vary or reinstate an insurance contract.

You do not need to tell **Us** anything that:

- reduces the risk **We** insure **You** for; or
- is common knowledge; or
- **We** know or should know as an insurer; or
- **We** waive **Your** duty to tell **Us** about.

If **You** do not tell **Us** something **You** are required to, **We** may cancel **Your** contract or reduce the amount **We** will pay **You** if **You** make a claim to the extent of any prejudice suffered by **Us** arising from **Your** failure to comply with this condition, or both.

If **Your** failure to tell **Us** is fraudulent, **We** may refuse to pay a claim and treat the contract as if it never existed.

Renewal Procedure

Before the **Policy** expires, **We** will advise **You** via **Your** broker, whether **We** intend to offer renewal and if so on what terms. This advice also applies for any offer of renewal **We** may make, unless **We** tell **You** otherwise.

It is important that **You** check the terms of any renewal offer before renewing to ensure that the details are correct. In particular, check all limits (including aggregates and sub limit(s)) and applicable deductibles to ensure the levels of cover are appropriate.

Please note that **You** need to comply with the duty of disclosure before each renewal.

Retroactive liability

The **Policy** does not provide cover in relation to events that occur before the **Retroactive Date** as stated in the **Schedule**.

Average provision and Allocation of loss between the Insured and Insurers

One of the **Policy** terms provides that if **You** incur loss covered by the **Policy** with other loss that is not covered by the **Policy**, or if a claim is made against **You** and it is impossible to identify whether loss is attributable exclusively or primarily to a covered cause, or the claim against **You**, as appropriate, then **You** together with **Us** will use our best efforts to agree to a fair and proper allocation of the loss between **Us** and **You**. Please refer to the policy wording for full details.

The **Policy** may also provide that, where the amount required to dispose of a claim exceeds the limit of the **Limit of Liability** in the **Policy**, **We** will be liable only for a part of the total costs and expenses which will be the same proportion of the total expenses as the limit bears to the total amount required to dispose of the claim.

Liability assumed under agreement

Cover provided by this form of liability insurance does not cover liability which **You** have agreed to accept, unless **You** would have been so liable in the absence of such agreement.

Utmost good faith

The **Policy** is based on the utmost good faith requiring **Us** and **You** (including third party beneficiaries after the **Policy** is entered into) to act towards each other with the utmost good faith in respect of any matter relating to the **Policy**. A failure to comply is a breach of the *Insurance Contracts Act 1984* (Cth).

Sanction Limitation Clause

Please note General Condition 9. Sanction Limitation Clause, which prevents **Us** from providing cover, benefits or paying claims where that would expose **Us** to any sanctions, prohibitions or restrictions.

The General Insurance Code of Practice

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice ("the Code"), which is a voluntary self-regulatory code. The Code aims to raise the standards of practice and service in the insurance industry.

Lloyd's has adopted the Code on terms agreed with the Insurance Council of Australia. For further information on the Code please visit www.codeofpractice.com.au.

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code. For more

information on the Code Governance Committee (CGC) go to www.insurancecode.org.au

Cooling Off Period

If **You** change **Your** mind within 14 days of the commencement of **Your Policy**, **You** can cancel it and receive a full refund (less any taxes or duties payable that **We** are unable to have refunded). **You** cannot return the **Policy** where, before the 14 day period ends, **You** have made or are entitled to make a claim. After the cooling off period ends **You** continue to have cancellation rights under the **Policy**. These rights are set out in the General Conditions of this document.

To cancel **Your Policy** within the cooling-off period, contact **Your** broker.

Privacy

We will collect personal information when **You** deal with us, **Our** agents, other companies in **Our** group, certain underwriters at Lloyd's, or suppliers acting on **Our** behalf.

We use **Your** personal information so **We** can do business with **You**, which includes issuing and administering **Our** products and services and processing claims.

Sometimes **We** might send **Your** personal information overseas. The locations **We** send it to can vary but include Singapore and the UK the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our privacy policy describes in detail where and from whom **We** collect personal information, as well as where **We** store it and the full list of ways **We** could use it. To get a free copy of it please visit hutchunderwriting.com.au/privacy.

It's up to **You** to decide whether to give us **Your** personal information, but without it **We** might not be able to do business with **You**, including not paying **Your** claim.

Complaints & Dispute Resolution

If **You** have any concerns or wish to make a complaint in relation to this **Policy**, **Our** services or **Your** insurance claim, please let **Us** know and **We** will attempt to resolve **Your** concerns in accordance with our internal dispute resolution procedure.

Please contact Hutch Underwriting Pty Ltd in the first instance:

Complaints Officer
Hutch Underwriting Pty Ltd
Tel: 1 300 256 056
E: complaints@hutchunderwriting.com.au

We will acknowledge receipt of **Your** complaint and do **Our** utmost to resolve the complaint to **Your** satisfaction within 10 business days.

If **We** cannot resolve your complaint to your satisfaction, **We** will escalate your matter to Lloyd's Australia who will determine whether it will be reviewed by their office or the Lloyd's UK Complaints team.

Lloyd's contact details are:

Lloyd's Australia Limited
Email: ldraustralia@lloyds.com
Telephone: (02) 8298 0783

Post: PO Box R1745
Royal Exchange NSW 1225

A final decision will be provided to **You** within 30 calendar days of the date on which **You** first made the complaint unless certain exceptions apply.

You may refer **Your** complaint to the Australian Financial Complaints Authority (AFCA), if **Your** complaint is not resolved to **Your** satisfaction within 30 calendar days of the date on which **You** first made the complaint or at any time. AFCA can be contacted as follows:

Telephone: 1800 931 678
Email: info@afca.org.au
Post: GPO Box 3 Melbourne VIC 3001
Website: www.afca.org.au

Your complaint must be referred to AFCA within 2 years of the final decision, unless AFCA considers special circumstances apply. If **Your** complaint is not eligible for consideration by AFCA, **You** may be referred to the Financial Ombudsman Service (UK) or **You** can seek independent legal advice. **You** can also access any other external dispute resolution or other options that may be available to **You**.

Service of Suit

The Underwriters accepting this **Policy** agree that:

1. if a dispute arises under this **Policy**, this **Policy** will be subject to Australian law and practice and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
2. any summons notice or process to be served upon the Underwriters may be served upon:

Lloyd's Underwriters' General Representative in Australia

Post: PO Box R1745
Royal Exchange NSW 1225
Email: serviceofsuitaus@lloyds.com
who has authority to accept service on the Underwriters' behalf;

if a suit is instituted against any of the Underwriters, all Underwriters participating in this **Policy** will abide by the final decision of such Court or any competent Appellate Court. In the event of a claim arising under this **Policy** notice should be given as soon as practicable to:

The Claims Manager
Telephone Number: 1300 900 216
Email: claims@hutchunderwriting.com.au

Confirmation of Transactions

If **You** need to clarify any of the information contained in this **Policy**, wish to confirm a transaction or **You** have any other queries regarding **Your Policy**, **Your** first point of contact is **Your** insurance broker. However, if **You** would also like to contact **Hutch Underwriting** directly, please use the contact details above.

HOW CLAIMS ARE DEALT WITH

We or the claims administrator reserve the right to appoint a loss adjuster.

If required by **Us** or the Insurer or the claims administrator **You** will complete a claim form, report, statement or declaration.

To report a claim, please contact:

The Claims Manager
Telephone Number: [1300 256 056](tel:1300256056) Extn 2
Email: claims@hutchunderwriting.com.au

Please quote the policy number (as shown on the **Schedule**) on all correspondence.

Our claims service is available Monday-Friday from 08:30 AM to 5:00 PM AEST.

Reporting a claim to **Us** shall be deemed notice to the **Insurers**.

We recommend that **You** also advise **Your** insurance broker or intermediary of any incident.

POLICY WORDING

POLICY OPERATION

Our Agreement

Your Policy is an agreement between **You** and **Us**, made up of:

1. this **Policy** wording;
2. **Your Schedule**, which sets out the cover **You** have chosen and any terms specific to **You**; and
3. any Endorsement or notice **We** give **You** in writing.

Uniform Meaning

This **Policy** and the **Schedule** shall be read together as one contract and any word or expression to which a specific meaning has been given in any part of this **Policy** or of the **Schedule** shall bear such meaning wherever it may appear unless such meaning is clearly inapplicable in the context that the word or expression appears.

Insuring Clause

Subject to payment of the required premium, **We** will insure **You** during the **Policy Period** in the manner and to the extent specified in the **Policy**. This cover will be subject to:

1. conditions and exclusions which apply to specific covers or sections;
2. general exclusions, which apply to any claim **You** make under this **Policy**;
3. general conditions, which set out **Your** responsibilities under this **Policy**;
4. claims conditions, which set out our rights and **Your** responsibilities when **You** make a claim; and
5. other terms, which set out how this **Policy** operates.

Provided that **We** shall not be liable under this **Policy** for more than the **Limit of Liability** or sub-limit applying to the applicable cover or section, less any **Deductible**. Our liability shall be limited to **Our** proportion noted in the **Schedule**.

Premium Payment

You must pay the premium in full to **Us** within 60 days of the inception of the **Policy**. If the premium has not been paid to **Us** by this date, this **Policy** will be cancelled in accordance with the provisions of the *Insurance Contracts Act 1984 (Cth)*.

Goods and Services Tax (GST)

This **Policy** covers **You** for GST liability on settlement of claims, arising under Section 78-30 of *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*.

Any payment **We** make to **You** in this respect is in addition to the **Policy**.

We will pay these claims after **You** have provided **Us** with the appropriate approved notification to the Commissioner of taxation as required under Section 23 of the *A New Tax System (Goods and Services Tax Transition) Act 1999 (Cth)*.

Where the GST inclusive claim settlement amount exceeds the applicable **Limit of Liability** or sub-limit,

We may pay **You** an amount up to 10% above the maximum amount payable under the **Policy**, to take account of **Your** GST liability on the claim settlement, subject to any payment made in respect of **Your** Section 78-30 liability.

Claims for Property Damage will be paid under the basis of GST inclusive cost of repair or replacement unless **You** are entitled to an input tax credit on the repair or replacement, in which case **We** will deduct the amount of that input tax credit from the claim.

Third Party Rights

It is not the intention of this **Policy** that any party except **Us** and those named or defined as "**Insureds**" herein or other parties specifically indemnified by this **Policy** should acquire any rights under or in relation to it nor be entitled to the benefit of any of its terms.

GENERAL EXCLUSIONS

The following Exclusions apply to all Sections of this **Policy**. There are other Exclusions which apply only to the Section in which they are stated.

We will not cover **You** or any other person under this **Policy** for loss arising from any **Claim**, **Defence Costs**, **Investigation Expenses** or any other loss or liability under this **Policy** arising out of, based upon or attributable to:

1. Aircraft, Watercraft or Vehicle

the ownership, operation or use of any **Aircraft**, **Watercraft** or **Vehicle** of any kind.

2. Asbestos

for or arising out of based upon or attributable to or in any way relating to asbestos in whatever form or quantity.

3. Assumed Liability

any obligation assumed by **You** under any contract, agreement, warranty or guarantee assumed or provided by **You** except to the extent that **You** would have been legally liable in the absence of such contract, agreement, warranty or guarantee.

4. Biological or Chemical Materials

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.

5. Claims by Associates

any **Claim**:

- (a) by any other party insured under this **Policy**, any of **Your** shareholders/trustees/unitholders or any **Family Member**; or
- (b) involving any entity, facility or arrangement of any description which, at the date the **Claim** was made against any **Insured** or at the time the events giving rise to the **Claim** occurred:
 - (i) was managed or controlled wholly or in part by any **Insured** or any nominee(s) of any **Insured**, or any **Family Member**; or
 - (ii) in which any **Insured** or any **Family Member** had a direct or indirect beneficial interest or **Financial Interest**.

6. Communicable Disease

a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease**, including but not limited to any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease**.

7. Cyber Loss

any **Cyber Loss** except to the extent covered under Section 3. Cyber.

8. Dishonesty

- (a) any dishonest, fraudulent, criminal or malicious act or omission by **You** or by any of **Your** contractors, sub-contractors, or agents whilst acting on **Your** behalf; or
- (b) any intentional violation or breach of any statute, regulation, contract or duty, or any actual or alleged act or omission committed or omitted with reckless disregard for the consequences by **You** or any of **Your** contractors, sub- contractors or agents

except to the extent covered under Section 1, Additional Benefit Dishonesty of Employees and, if specified as insured in the **Schedule**, Section 1, Optional Extension Fidelity.

9. Employer's Liability

a breach of any obligation owed by **You** as an employer to any **Employee** (including any liability under the workers compensation legislation of the Commonwealth of or any State or Territory of Australia) or prospective employee.

10. Fines and Penalties

except to the extent covered under Section 1 additional benefit Statutory Liability, any punitive, aggravated, multiple or exemplary damages, fines or penalties imposed by law or any investigation or **Defence Costs** arising as a consequence thereof.

11. Nuclear

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste 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;
- (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. Part (d) of this exclusion does apply 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; and
- (e) any chemical, biological, bio-chemical or electromagnetic weapon

12. Pathogenic Organisms Exclusion

any **Claim** for any legal liability of whatsoever nature directly or indirectly cause by or

contributed to by or arising from any **Pathogenic Organism**.

For the purposes of this exclusion **Pathogenic Organism** shall include but not limited to the following: -

Mould or fungi or its spores, bacteria, yeasts, mildew, algae, mycotoxins or any other metabolic products enzymes or protein secreted by the above whether toxic or otherwise.

It is understood and agreed that Insurers shall not be under any duty to defend the insured in any proceedings in connection with any **Pathogenic Organism** claims or incidents.

This exclusion shall apply irrespective of when the claim arose or was made and irrespective of when the exposure to any **Pathogenic Organism** occurred

13. Pollution

Except to the extent covered under Optional Extension 1, of Section 1, Sudden and Accidental Pollution, any claim for Pollution, being:

- (a) any actual, alleged or threatened release, escape, or disposal of **Pollutants** into or on real or personal property, water or the atmosphere; or
- (b) any direction or request for **You** to test for, monitor, clean up, remove, contain, treat or neutralise **Pollutants**, or any voluntary decision by **You** to do so.

14. Product Liability

Any **Product Liability**.

15. Territorial and Jurisdictional Limits

- (a) any act, error or omission committed by **You** within the United States of America or Canada and their respective territories and protectorates; or
- (b) any action brought in a court of law to enforce any judgement in accordance with or pursuant to the laws of the United States of America or Canada including any other territory that comes within the jurisdiction of the courts of either nation, or to which the laws of either nation apply.

16. War and Terrorism

any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, 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;
- (b) any **Act of Terrorism**; or
- (c) damage, loss, liability, 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 (a) or (b) above is also excluded.

17. Wrongful Employment Act

any actual or alleged **Wrongful Employment Act**.

18. War and Cyber Operation exclusion

Notwithstanding any provision to the contrary in this **Policy**, this **Policy** does not cover that part of any loss, damage, liability, cost, or expense, of any kind (together "loss"):

1. directly or indirectly arising from a **War**, and/or
2. arising from a **Cyber Operation** that is carried out as part of a **War** or the immediate preparation for a **War**, and/or
3. arising from a **Cyber Operation** that causes a **State** to become an **Impacted State**. This paragraph 3 shall not apply to the direct or indirect effect of a **Cyber Operation** on a **Computer System** used by the **Insured** or its third-party service providers that is not physically located in an **Impacted State** but is affected by a **Cyber Operation**.

Attribution of a Cyber Operation to a State

Notwithstanding the **Insurer's** burden of proof, which shall remain unchanged by this clause, in determining attribution of a **Cyber Operation** to a **State**, the **Insured** and **Insurer** will consider such objectively reasonable evidence that is available to them. Further to any legally permissible evidence, this may include formal or official attribution by the government of the **State** in which the **Computer System** affected by the **Cyber Operation** is physically located to another State or those acting at its direction or under its control.

For the purposes of this War and Cyber Operation exclusion:

Computer System means

any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud infrastructure 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. If there is any inconsistency between definitions of computer system in this exclusion and the Policy, the definition in the Policy shall apply.

Cyber Operation means

the use of a **Computer System** by, at the direction of, or under the control of a **State** to

1. disrupt, deny access to or, degrade functionality of a **Computer System**, and/or
2. copy, remove, manipulate or destroy information in a **Computer System**.

Essential Service means

a service that is essential for the maintenance of vital functions of a State including, but not limited to, financial institutions and associated financial market infrastructure, health services or utility services.

Impacted State means

any **State** where a **Cyber Operation** has had a major detrimental impact on:

1. the functioning of that **State** due to disruption to the availability, integrity or delivery of an **Essential Service** in that State, and/or
2. the security or defence of that **State**.

State means

a sovereign state.

War means

armed conflict involving physical force:

1. by a **State** against another **State**, or
2. as part of a civil war, rebellion, revolution, insurrection, military or usurped power, whether War be declared or not.

LMA5567A - 18 January 2023

GENERAL CONDITIONS

The following General Conditions apply to all Sections of this **Policy**, unless specified otherwise.

1. Alteration to Risk

You must give **Us** written notice as soon as reasonably practicable of any material change in facts or circumstances existing at the commencement of the **Policy Period**.

A material change to the risk includes, without limitation, the performance of any services or activities that are materially different from those declared in the proposal form or that are outside the normal activities of the **Professional Business**, or a **Change of Control**.

2. Cancellation

The **Named Insured** may cancel this **Policy** at any time by giving **Us** written notice, and:

- (a) if no **Claim** (or other notification pursuant to s 40 (3) Insurance Contracts Act 1984), has been notified to **Us** under this **Policy** prior to the effective date of cancellation, **We** will make a pro-rata refund of **Premium** (less any taxes or duties payable that **We** are unable to have refunded) for the unexpired portion of the **Policy Period**; or
- (b) If a **Claim**, (or other notification pursuant to s 40 (3) Insurance Contracts Act 1984), has been notified to **Us** under this **Policy** prior to the effective date of cancellation, there will be no refund of **Premium** for the unexpired portion of the **Policy Period**.

We may cancel this **Policy** in accordance with the provisions of the *Insurance Contracts Act 1984 (Cth)*, in which event **We** will make a pro-rata refund of any paid **Premium** for the unexpired portion of the **Policy Period**.

3. Change of Control

- (a) The **Named Insured** must, as soon as reasonably practicable, give **Us** notice in writing of any **Change of Control** which occurs.
- (b) In the event of a **Change of Control**, **We** will only cover any **Claim(s)** made against the

Named Insured arising out of the conduct of the **Professional Business** occurring prior to the **Change of Control**.

4. Construction and Interpretation

- (a) Clause headings are for reference only and have no effect in limiting or extending the language of the provisions to which they refer.
- (b) Unless the contrary intention appears in this **Policy**, words in the singular include the plural and vice versa;
- (c) References to statutes include any amendments thereof, regulations thereunder, and re-enactments or consolidations thereof and any subsequent, replacement, successor or equivalent legislation.

5. Goods and Services Tax

- (a) where **You** make a payment under this **Policy**, **We** will reduce the amount of the payment by the amount of any Input Tax Credit that **You** would have been entitled to had the payment been applied to acquire such goods, services or other supply;
- (b) if any party requires a tax invoice or the assistance of any other party to obtain an Input Tax Credit the other party will provide such invoice or assistance promptly upon being requested to do so;
- (c) for the purpose of this condition "GST" and "Input Tax Credit" have the same meaning as in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and, unless the context otherwise requires, other expressions used in this section have the meanings given to those expressions in that Act.

6. Law & Jurisdiction

This **Policy** shall be governed by the laws of the State or Territory of the Commonwealth of Australia in which this **Policy** is issued and subject to the exclusive jurisdiction of any competent court in the Commonwealth of Australia.

7. Other Insurance

In the event of any other valid insurance or indemnity being available to **You** or in respect of any self-insured amount, subject to the *Insurance Contracts Act 1984* (Cth), this **Policy** will only cover **You** over and above any such other insurance, indemnity or self-insured amount.

8. Named Insured as Agent of all Insureds

The **Named Insured** will be considered the agent of all **Insureds** and will act on behalf of all **Insureds** with respect to the giving of or receipt of all notices pertaining to this **Policy**, and the acceptance of any endorsements to this **Policy**. The **Named Insured** is responsible for the payment of all **Premiums** and **Deductible(s)**, cancellation of the **Policy** and for receiving any return **Premiums**.

9. Sanction Limitation Clause

We shall not be deemed to provide cover and **We** shall not be liable to pay any claim or provide any benefit under the **Policy** to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **Us** to any sanction, prohibition or restriction under United

Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, New Zealand, the European Union, United Kingdom or United States of America.

10. Severability and Non-Imputation

- (a) where this **Policy** provides cover to more than one party, a failure to comply with the **Insured's** duty of disclosure under the *Insurance Contracts Act 1984* (Cth) or other misrepresentation shall not prejudice the rights of any other **Insured** under this **Policy**, and
- (b) the conduct of one **Insured** shall not be imputed to any other **Insured**, provided that the other **Insured** is innocent of and had no prior knowledge of such failure, misrepresentation, or conduct.

11. Valuation and Foreign Currency

All currency amounts under this **Policy** are expressed and payable in Australian Dollars. Except as otherwise provided, if judgment is rendered, settlement is denominated or another element of loss under this **Policy** is stated in a currency other than Australian Dollars, payment under this **Policy** will be made in Australian Dollars at the cash rate of exchange for the purchase of Australian Dollars published by the Reserve Bank of Australia on the date the final judgment is reached, the amount of the settlement is agreed upon or the other element of loss is due, respectively.

CLAIMS CONDITIONS

Where applicable, the conditions set out below must be complied with by the **Insured**.

If any of these conditions are not complied with by the **Insured**, subject always to the *Insurance Contracts Act 1984*, **We** may be entitled to refuse to pay or reduce **Our** liability for any claim under this **Policy** by an amount which fairly represents the extent **Our** interests were prejudiced because of the **Insured's** non-compliance.

1. Action by the Insured

You must give **Us** written notice of any **Claim**, writ, summons or **Occurrence** as soon as reasonably practicable during the **Policy Period** and provide **Us** with all further information and assistance that **We** reasonably require to investigate a **Claim**.

You must co-operate with and assist **Us** in the management of any claim to the extent **We** reasonably request, including:

- (a) providing **Us** with all such additional documentation and information relating to the **Claim** or **Occurrence** as **We** reasonably request;
- (b) allow **Us** to defend or settle the **Claim** in **Your** name and on **Your** behalf, or on behalf of any other party covered by this **Policy**; and/or
- (c) take reasonable steps to preserve as far as reasonably practicable, any product, appliance or other equipment which could be necessary or useful as evidence in the event of litigation, or for the purposes of negotiating settlement of the **Claim**.

2. Address for Notifications

All notifications to **Us** and documents relating to any **Claim** or **Occurrence** must be delivered in writing to:

Email: claims@hutchunderwriting.com.au

3. Allocation

- (a) If a **Claim** and/or loss includes both covered and uncovered elements under this **Policy**, **We** and **You** ("the parties") will agree upon a fair and proper allocation between the covered and uncovered **Claim** and/or loss, including **Defence Costs**.
- (b) Where the parties cannot agree on allocation, it will be determined by a Senior Counsel who will be appointed by agreement between the parties or in the absence of an agreement, will be nominated by the proper person at the Resolution Institute.
- (c) The Senior Counsel's determination on allocation will be based on written submissions only and will be final and binding on both parties.
- (d) The costs of the Senior Counsel's opinion and recommendation on allocation will be deemed part of the **Defence Costs**.

4. Deductible

- (a) **We** will only be liable for that part of any **Claim** and/or loss which exceeds the **Deductible**;
- (b) The **Deductible** applies separately to each **Claim** and/or loss, unless otherwise stated by **Us**;
- (c) Where the **Deductible** is shown in **Your Schedule** to be "Costs Inclusive" **You** are liable to pay **Defence Costs** and any other costs and expenses incurred in investigating, defending and settling a **Claim** up to the amount of the **Deductible**;

The **Deductible** does not apply to any costs and expenses incurred by **Us** to determining whether **You** are covered under the **Policy**.

5. Defence and Settlement

- (a) **We** have the right to take over the conduct of the defence or settlement of any **Claim** in **Your** name and **You** must not admit liability for, settle any **Claim** or incur any **Defence Costs** without **Our** written consent, which will not be unreasonably withheld.
- (b) Subject to paragraph (c) below, if **You** refuse to consent to or accept any proposed settlement or recommendation made by **Us** in respect of a **Claim** or continue any legal proceedings in connection with the **Claim**, then **Our** liability to indemnify **You** will be limited to the amount for which the **Claim** could have been settled and **Defence Costs** incurred up to the date of **Your** refusal, less the **Deductible**.
- (c) In the event of a dispute between **Us** and **You** on whether either party should be required to defend or contest a **Claim**, the parties will agree to the appointment of a Senior Counsel to provide an opinion and make

recommendations on whether a **Claim** should be defended or attempted to be settled and if applicable, the terms of an appropriate settlement. The Senior Counsel will take into consideration all relevant issues including the prospects of **You** successfully defending the **Claim**, the economics of the matter, the damages and costs which are likely to be recovered by the claimant and the likely **Defence Costs**.

- (d) The Senior Counsel referred to above, will be mutually agreed upon, or in the absence of agreement, will be nominated by the proper person at the Resolution Institute. The cost of the Senior Counsel's opinion and recommendations will be deemed part of the **Defence Costs**.
- (e) If in **Our** opinion the total amount payable in respect of a **Claim** is unlikely to exceed the **Deductible**, **We** have the right to instruct **You** to conduct the defence of the **Claim**. If **We** do so, and in the event that the amount paid to dispose of the **Claim** exceeds the **Deductible**, **We** will reimburse **You** for all reasonable **Defence Costs**.

However, **We** reserve the right to take over conduct of the **Claim** as provided in paragraph (a) above should it appear to **Us** that the **Deductible** may be eroded.

6. Fraudulent Claims

If any **Claim** and/or loss covered under this **Policy** shall be in any way fraudulent or if any fraudulent means or devices are used by **You** (or anyone acting on **Your** behalf) to obtain any benefit under this **Policy**, **We** will, without prejudice to any other right(s) that **We** may have under the **Policy**, be entitled to refuse to pay such **Claim** and/or loss, including any **Defence Costs**.

7. Mitigation

You must take all reasonable steps and precautions to avoid and minimize any liability or loss which may be or is the subject of a **Claim** covered under this **Policy**.

8. Subrogation

- (a) If **We** make any payment under this **Policy** (including **Defence Costs**), **We** will be subrogated to all rights of recovery and remedies available to **You** in relation to that payment. **We** will then have the right to seek recovery of that payment from a third party and will be entitled to bring proceedings in **Your** name;
- (b) **You** will provide all assistance and information as **We** reasonably require to enforce these rights and remedies.
- (c) Any amounts recovered will be applied in the following order:
 - i. first to **Our** benefit for any expenses incurred in enforcing subrogated rights and remedies;
 - ii. then to **Your** benefit if **You** have contributed to a payment exceeding the **Limit of Liability** made to resolve a **Claim** up to the amount of that payment;

- iii. then to **Our** benefit for any payments made under the **Policy**; and
 - iv. then to **Your** benefit for any additional amounts recovered.
- (d) **We** will not exercise any rights against any **Employee** of the **Named Insured** unless a loss has been brought about or contributed to by any dishonest, fraudulent, criminal, reckless or malicious act or omission of such **Employee**.

DEFINITIONS

We use words and expressions in this **Policy** which have specific meanings. Where they appear throughout the **Policy** they start with a capital letter, appear in bold font and have the meaning set out below.

Act of Terrorism means an act, including but not limited to, the use of force or violence 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 or to put the public, or any section of the public, in fear.

Advertising Liability means liability arising from any of the following:

- (a) defamation; or
- (b) breach of the misleading or deceptive conduct provisions of any Australian competition and consumer legislation, or any fair trading or similar legislation of any country, state or territory; or
- (c) infringement of copyright or passing off of title or slogan; or
- (d) unfair competition, piracy, misappropriation of advertising ideas, style of doing business; or
- (e) invasion of privacy,

committed or alleged to have been committed during the **Policy Period** in any advertisement, publicity article, broadcast or telecast and caused by or arising out of **Your** advertising activities.

Aircraft means any vessel, hovercraft, craft or thing designed to transport persons or property in or through the air or space.

Bodily Injury means physical injury, death, mental injury, mental illness, mental anguish, shock, sickness, disease or disability.

Change of Control means any change in **Control** of the **Named Insured** resulting from one of the following events:

- (a) the **Named Insured** consolidates with, merges into or sells all or a majority of its assets to a third party;
- (b) a third party becomes entitled to **Control** the **Named Insured**.

Civil Liability means a legally enforceable obligation to a third party to pay **Damages**, or other compensation in accordance with:

- (a) an award of court;
- (b) an award of a tribunal
- (c) an award or direction of an external dispute resolution scheme of which the Insured is required to be a member or of which membership is standard industry practice; or
- (d) a direction of a regulator to whose authority the **Insured** is required to submit made validly and within such regulator's legal powers; and
- (e) includes any settlement of such an alleged legally enforceable obligation, negotiated with **Our** prior written consent, which will not be

unreasonably withheld, in accordance with Claims Condition 5. Defence and Settlement.

Claim means:

- (a) any demand asserting **Civil Liability** against any **Insured** communicated to any **Insured** by whatever means; or
- (b) any Statement of Claim, Writ, Summons, proceeding or other originating legal or arbitral process, cross-claim or counter-claim served upon any **Insured** asserting **Civil Liability**.
- (c) in respect of Section 1 additional benefit Statutory Liability only, any Statement of Claim, Writ, Summons, proceeding or other originating legal or arbitral process served upon any **Insured** asserting **Statutory Liability**

All **Claims** arising from the same act, error or omission or consequent upon or attributable to one source, act, error or omission, event, transaction, advice, decision or original cause, will be deemed to be a single **Claim**.

Client Network Infection means the actual or alleged transmittal from **Your Computer System** to **Your** client's **Computer System** in the conduct of the **Professional Business**, of a **Computer Virus** or other electronic infection which causes damage to that client's computer or **Computer Network** or disrupts that client's business.

Compensation means monies paid or agreed to be paid, whether by way of settlement or judgment for **Bodily Injury** and/or **Property Damage** and/or **Advertising Liability**.

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 bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

Computer System means any computer, hardware, software, application, process, code, program, information technology, communications system or electronic device owned or operated by **You** or any other party. This includes any similar system and any associated input, output or data storage device or system, networking equipment or backup facility

Computer Network means a group of **Computer Systems** and other electronic devices or network facilities connected via a form of communications technology, including the internet, intranet and virtual private networks, allowing the networked computing devices to exchange **Electronic Data**.

Computer Virus means any malware or program that possesses the ability to create replicas of itself (commonly known as 'auto-reproduction' program) within other programs or operating systems areas, or which is capable of spreading copies of itself wholly or partly to other computer systems or networks and which were not written or created by **You**.

Control has the same meaning as the definition provided under Section 50AA of the *Corporations Act 2001 (Cth)*.

Cyber Crime means fraudulent misappropriation of **Funds** by any person acting without any participation or knowledge on **Your** part from **Social Engineering Fraud**, phishing, phreaking or other forms of cyber fraud.

Cyber Loss means any **Claim**, loss, damage, liability, expense, fine or penalty or any other amount directly or indirectly caused by:

- (a) the use or operation of any **Computer System** or **Computer Network**;
- (b) the reduction in or loss of ability to use or operate any **Computer System**, **Computer Network** or **Electronic Data**;
- (c) access to, processing, transmission, storage or use of any **Electronic Data**;
- (d) any threat of or any hoax relating to clauses (a) to (c) above;
- (e) inability to access, process, transmit, store or use any **Electronic Data**;
- (f) any error or omission or accident in respect of any **Computer System**, **Computer Network** or **Electronic Data**;
- (g) the total or partial destruction, distortion, erasure, corruption, alteration, misrepresentation or misappropriation of **Electronic Data**; or
- (h) the **Insured**, or anyone acting on the **Insured's** express or implied authority, being induced by any dishonest act, utilising a **Computer System**, **Computer Network** or **Electronic Data**, to voluntarily part with title to or possession of any property or money.

Damages means loss, judgments and settlements, but does not include fines, penalties, punitive or exemplary damages, or the return, withdrawal or reduction of professional fees or commissions, or any equitable relief.

Data Security Breach means the actual or alleged breach, violation, unauthorised interception, unauthorised use, or misuse by any person of any security systems or procedures maintained by the **Named Insured** for storage of its client's confidential information in the conduct of the **Professional Business**.

Deductible means the amount(s) specified in the **Schedule** or by any endorsement(s).

Defence Costs means all reasonable costs and expenses incurred with **Our** prior written consent, which will not be unreasonably withheld, in the defence or settlement of any **Claim** against **You**. **Defence Costs** do not include any remuneration, wages, salaries, fees, or overhead expenses of **Yours**.

If a payment in excess of the **Limit of Liability** is made to dispose of a **Claim**, the **Defence Costs** will be paid by **Us** in the same proportion as is the proportion between the payment made by **Us** and the payment made to dispose of the **Claim**.

Documents means any physical documents including but not limited to deeds, wills, agreements, maps, plans, records, books, letters, certificates or forms, whether written, printed or physically reproduced by any other method but will not include:

- (a) any bearer bonds or coupons, cheques, stamps, bank or currency notes or other negotiable instruments; or
- (b) any **Electronic Data** which is destroyed or damaged, lost or mislaid by manual, electronic or mechanical act, error or omission.

Electronic Data means facts, concepts and information converted to a form useable for communication, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instruction for such equipment.

Employee means any person who was, is, or shall be under a contract of employment with **You** (including any person completing an apprenticeship engaged under any work experience, traineeship or similar program with and under **Your** control).

Employee does not include:

- (a) any contractors, sub-contractors or agents retained by **You**; and
- (b) any partner, trustee, shareholder, unitholder or director of the **Insured**.

Family Member means:

- (a) an insured person's **Spouse**, domestic partner or companion; or
- (b) the parent, sibling, or child of an insured person or of an insured person's **Spouse**, domestic partner or companion.

Financial Interest means a financial interest of greater than 10% of the issued capital in a company or more than 10% of the value of any other business or asset.

Funds means **Money**, securities, negotiable instruments or other tangible property belonging to **You** or in your care custody or control.

Human Biosecurity Emergency means a biosecurity emergency as declared under the *Biosecurity Act 2015 (Cth)*.

Hutch or **Hutch Underwriting** means Hutch Underwriting Pty Limited"

Inquiry Body means any official body or institution empowered by law to investigate **Your** professional conduct including but not limited to a coroner's court, statutory regulatory body, tribunal or legally constituted industry or professional board but excluding any Royal Commission, parliamentary inquiry or any committee of a parliament.

Insured means:

- (a) the **Named Insured** and their predecessors in business;

- (b) any **Subsidiary(ies)** of the **Named Insured** in existence at the commencement of the **Policy Period**, but only in respect of any work performed in the conduct of the **Professional Business** whilst the **Named Insured** has **Control** of the **Subsidiary**;
- (c) any director, officer, principal, partner, **Employee** or manager of the **Named Insured** or any **Subsidiary** but only with respect to the performance of their duties for or on behalf of the **Named Insured** or any **Subsidiary**;
- (d) the estate, heirs, legal representatives or assigns of any insured person noted in item (c) above, in the event of the death or incapacity of that **Insured**, but only to the same extent as cover would have otherwise been available to that **Insured**, and subject always to the terms and conditions of the **Policy**.

Insurer(s)/ We/Us/Our means certain underwriters at Lloyd's, led by Munich Re Syndicate 457, acting through **Hutch**

Intellectual Property Breach means a breach of trademarks, trade secrets, patents, copyright, registered designs or the system or programs of others.

Investigation Expenses means all reasonable costs and expenses incurred by **You** with **Our** prior written consent, which will not be unreasonably withheld, in relation to any judicial review or any official investigation, examination, inquiry or other similar proceedings, or disciplinary or criminal legal proceedings:

- (a) commenced by an **Inquiry Body** to compel any Insured to produce materials/documents or attend any hearing; and
- (b) instituted in connection with the **Professional Business** during the **Policy Period**.

Limit of Liability means the amount specified in the **Schedule** for each Section.

Listed Human Diseases means diseases listed under the *Biosecurity Act 2015 (Cth)*.

Manual Work means any manual or physical labour, including but not limited to, construction work and the operation of tools and/or machinery.

Named Insured means the individual, partnership, entity or corporation designated as such in the **Schedule**.

North America means the United States of America and Canada and includes any other territory that comes within the jurisdiction of the courts of either nation, or to which the laws of either nation apply.

Occurrence means an unexpected and unintended event (including continuous and repeated exposure to conditions) which results in **Bodily Injury** or **Property Damage**.

Policy means:

- (a) this contract of insurance, including the Certificate of Insurance and **Schedule**, insuring clauses, extensions, conditions, definitions, exclusions and other terms contained herein; and

- (b) any endorsement attaching to and forming part of this contract of insurance either at inception or during the **Policy Period**.

Policy Period means the period specified in the **Schedule**.

Privacy Breach means a breach of any privacy legislation applicable to the conduct of **Your Professional Business** including, but not limited to, the *Privacy Act 1988 (Cth)*.

Privacy Remediation Expenses means costs and expenses reasonably incurred in advertising, or for electronic, printed, broadcast or telecast communications, to comply with any law, regulation or order requiring notification of any potential or actual unauthorised access or unauthorised use of an individual's personal information in the conduct of the **Professional Business**, where that information is not publicly available.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste (including material to be recycled, reconditioned or reclaimed).

Premium means the amount **You** pay for the cover provided by this **Policy** and is specified in the **Schedule**.

Product Liability means legal liability arising out of **Your Products** or any representation or warranty made in relation to **Your Products**.

Professional Business means **Your** business as specified in the **Schedule**.

Property Damage means:

- (a) physical injury or damage to or defect, impairment or destruction or loss of tangible property including consequential loss or the loss of use of that property; or
- (b) consequential loss relating to, or loss of use of, tangible property which has not been damaged as defined in paragraph (a) of this definition, provided that such loss of use is caused by or arises out of the physical damage of other tangible property.

Public Relations Expenses means the reasonable fees, costs and expenses in appointing a:

- (a) public relations firm / consultant;
- (b) crisis management firm; or
- (c) law firm,

directly by **You**, with **Our** written consent, which will not be unreasonably withheld, for the sole purpose of mitigating any adverse or potentially adverse effect on the **Insured's** reputation.

Retroactive Date means the date specified in the **Schedule**.

Schedule means the schedule on the certificate of insurance.

Silica means silicon dioxide or any compound containing silicon dioxide, **Silica** particles or **Silica-Related Dust**.

Silica-Related Dust means a combination of **Silica** and other dust particles

Social Engineering Fraud means impersonation by digital media (including but not limited to email and social media) of:

- (a) **Your** director, officer, **Employee** or agent
- (b) **Your** customer
- (c) **Your** sub-contractor
- (d) a party with whom **You** have a written contract for the sale or purchase of goods or services

by a **Third Party** to manipulate **Your** officer, employee or agent to issue an instruction to a financial institution to debit, pay, deliver or transfer **Funds** to that **Third Party** or another person or entity.

Spouse means a person who is legally married to an **Insured** who is a natural person and includes a person in a de facto relationship with an insured person although not legally married to each other.

Statutory Liability means any monetary fine or penalty payable by an Insured because of a contravention of an Act of Parliament of the Commonwealth of Australia (and/or Australian States and Territories) or New Zealand.

Statutory Liability does not include any amounts payable as or calculated by reference to:

- (a) **Damages** or compensation;
- (b) compliance, remedial, reparation or restitution costs;
- (c) exemplary or punitive damages;
- (d) any consequential economic loss;
- (e) any requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue charge or impost; and
- (f) any fine or penalty the insurance of which is prohibited by law (whether statute or common law or otherwise) and where any law prohibits or restricts the payment of any indemnity.

Subsidiary means corporations in which the **Named Insured** directly or indirectly:

- (a) controls the composition of the board of directors;
- (b) controls more than 50% of the voting power; or
- (c) holds more than 50% of the issued share capital.

Territorial Limits means anywhere in the world except **North America**.

Third Party means a person or persons who are not a Named Insured or their employee, sub-contractor, or related party to the Named Insured.

Vehicle means any type of machine on wheels or on caterpillar tracks made or intended to be propelled other than by manual or animal power, and any trailer made or intended to be drawn by such machine, and any hovercraft.

Watercraft means any vessel, craft or thing made or intended to float on, or in, or travel on or through water.

Wrongful Employment Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted, or allegedly committed or attempted, by any **Insured** in connection with the employment by **You** of a person including:

- (a) wrongful dismissal;
- (b) denial of natural justice relating to wrongful termination;
- (c) discharge or termination of employment;
- (d) breach of any oral or written employment contract or quasi-employment contract;
- (e) employment discrimination laws (including workplace and sexual harassment);
- (f) wrongful failure to employ or promote; wrongful discipline;
- (g) wrongful deprivation of a career opportunity;
- (h) negligent evaluation of that person's performance;
- (i) invasion of that person's privacy; and
- (j) employment-related defamation of that person (including by way of an advertisement).

You/Your/Yours means the **Insured**.

Your Products means any good, item or merchandise (including packaging and containers) manufactured (or which is deemed to be manufactured), grown, extracted, altered, treated, produced, processed, sold, supplied, distributed, imported, exported, repaired, serviced, installed, assembled, erected or constructed by **You** or on **Your** behalf.

SECTION 1 – PROFESSIONAL INDEMNITY

The cover under Section 1 of this **Policy** is provided on a “Claims made and notified” basis. This means that this Section covers **Claims** made against **You** which are notified to **Us** during the **Policy Period**.

COVER

We will

1. indemnify **You** up to the **Limit of Liability**, for **Damages** arising from any **Claim** first made against **You** and notified in writing to **Us** during the **Policy Period** in respect of **Civil Liability** incurred in the conduct of the **Professional Business**.
2. In addition to the **Limit of Liability**, pay **Defence Costs** incurred in the defence and/or settlement of any **Claim** under Insuring Clause 1 and any applicable Extension of this **Policy**. The maximum payable under this **Policy** in respect of **Defence Costs** is an amount equal to the **Limit of Liability**.

LIMIT OF LIABILITY UNDER SECTION 1

Our liability under this Section 1 will not exceed:

1. the **Limit of Liability** for any one **Claim** or loss and in the aggregate under this **Policy**.
2. An amount equal to the **Limit of Liability** in respect of **Defence Costs**.
3. any sub-limit specified in the **Policy** or **Schedule**, and where a sub-limit is specified in the **Policy** or **Schedule**, it will form part of and not be in addition to the **Limit of Liability**.

The inclusion of more than one **Insured** for any **Claim(s)** under this **Policy** will not increase any sub-limit or the **Limit of Liability** under this **Policy**.

REINSTATEMENT OF THE LIMIT OF LIABILITY UNDER SECTION 1

Notwithstanding the **Limit of Liability** under Section 1 above, in the event that the **Limit of Liability** and any other insurance which sits in excess of this **Policy** are exhausted by payment of any **Claim(s)** or loss(es) covered under this **Policy**, **We** agree to reinstate the **Limit of Liability** by the multiple of the **Limit of Liability** specified in the **Schedule**.

The reinstated **Limit of Liability** will only apply to subsequent **Claim(s)** or loss(es) which do not arise from, relate to or are in any way connected with the **Claim(s)** or loss(es) which contributed to the exhaustion of the **Limit of Liability**.

The reinstatement granted under this clause will not apply to any sub-limit specified in this **Policy** or the **Schedule**.

OPTIONAL EXTENSIONS OF COVER

We will only cover **You** for each of these Optional Extensions if they are shown in the **Schedule** as “Insured”.

1. Fidelity

We will cover **You** up to the Fidelity sub-limit stated in the **Schedule**, for any loss of money or of any other property held as part of **Your Professional Business**, which **You** discover during the **Policy Period**, that **You** have sustained because of any dishonest or fraudulent act or omission of any **Employee**.

- (a) **We** will not cover **You** for any loss:
 - (i) brought about or contributed to by any dishonest or fraudulent act or omission of any current or former partner, trustee, shareholder, unitholder or director of the **Insured**;
 - (ii) sustained by **You** after **You** first become aware of any loss or any fraudulent act or omission, or the date upon which a reasonable person would have had cause for suspicion of any loss or any fraudulent act or omission.
- (b) The following conditions apply to this extension of cover:
 - (i) **You** must give **Us** written notice of the loss within 28 days of discovery;
 - (ii) **We** shall not be liable to cover any **Claim** under this Optional Extension unless **You** notify the police of this loss and provide such information as they shall reasonably require. **You** must provide **Us** with a copy of the Police Report if requested.
 - (iii) **You** must give **Us** at **Your** expense, all reasonably necessary information and assistance **We** request to quantify the loss and to allow and co-operate with **Us** to recover from that **Employee** (or from their estate) any monies paid or payable by **Us**. Any monies (other than statutory entitlements) which, but for that **Employee's** fraud or dishonesty, could have been payable by **You** to the **Employee**, and any monies of that person in **Your** possession, shall be deducted from the amount otherwise payable under this Optional Extension 1;
 - (iv) The **Deductible** shown in the **Schedule** applies to this Optional Extension 1; and
 - (v) **Our** liability for all claims made under this Extension shall not exceed the Sub Limit specified in the **Schedule** for this Extension less any applicable **Deductible**.

2. Sudden and Accidental Pollution

Notwithstanding General Exclusions 12. Pathogenic Organisms and 13. Pollution but subject always to General Exclusion 2. Asbestos, **We** will cover **You** for **Claims** first made and notified to **Us** during the **Policy Period** arising out of **Sudden and Accidental Pollution** as a direct result of **Your** negligent act, error or omission in the conduct of the **Professional Business**, provided that:

- (a) **Our** liability for all **Claims** made under this Optional Extension shall not exceed, in the aggregate, the sub-limit specified in the **Schedule** including all **Defence Costs**;

- (b) this coverage is limited to the costs of rectifying only **Your** negligent acts, errors or omissions and specifically excludes any **Consequential Losses**;
- (c) the **Deductible** shown in the **Schedule** applies to this Optional Extension;

For the purposes of this Optional Extension, the following definitions apply:

- (i) **Sudden and Accidental Pollution** means the actual, alleged or threatened: sudden, accidental and unintended discharge, dispersal, release or escape of **Pollutants**; and
- (ii) **Consequential Losses** means any liability which attaches to **You** as a consequence of **Your** negligent acts, errors or omissions, including but not limited to, any loss of: profits, anticipated profits, goodwill, reputation or production suffered by any third party, any costs incurred to clean up any **Sudden and Accidental Pollution** and any **Bodily Injury** or **Property Damage**.

3. Previous Business

We will provide cover under this **Policy** to any director, partner or principal of **Yours** for loss arising from a **Claim** for **Civil Liability** against them in their capacity as a director, partner or principal of any previous business disclosed to **Us** prior to inception and named in **Your Schedule**, provided that:

- (a) the previous business was engaged in the same type of professional activities as **Your Professional Business** and the **Claim** arises from the conduct of those activities; and
- (b) details of the previous business are disclosed to **Us** prior to inception of this **Policy**.

ADDITIONAL BENEFITS - SUB LIMITED

The following benefits automatically apply to this **Policy** and are subject to aggregate Sub Limits as stated on the **Schedule**. These Sub Limits are included in, and do not increase the **Limit of Liability**.

1. Court Attendance Costs

We will pay to **You** or on **Your** behalf, court attendance costs for any insured person who is compelled to, and does, attend **Court** as a witness in relation to a **Claim** covered by this **Policy**.

We will pay at the rate of \$1,000 per day for each day on which that person attended. **Our** liability for all claims under this additional benefit shall not exceed, in the aggregate, the "Court Attendance Costs Sub Limit" stated in the **Schedule**.

This coverage does not extend to **Your** consultants, locums or (sub)contractors

No **Deductible** shall apply to this additional benefit.

2. Emergency Defence Costs

Notwithstanding anything to the contrary in this **Policy**, if it is not reasonably possible for **You** to obtain **Our** consent prior to incurring **Defence Costs** which are otherwise covered under Insuring Clause 2 of this **Policy**, **We** will waive our requirement for consent prior to incurring **Defence Costs**, provided that **Our** consent is

eventually obtained within 30 days of the first of such **Defence Costs** being incurred.

We will not pay more than the **Emergency Defence Costs Sub Limit** stated in the **Schedule** for all such fees, costs and expenses incurred during the **Policy Period**.

3. Investigation Expenses

We will cover **You** for **Investigation Expenses** incurred within the **Policy Period** provided that:

- (a) A **Deductible** of \$5,000 will apply to this additional benefit;
- (b) Our liability for all claims made under this additional benefit shall not exceed, in the aggregate, the **Investigation Expenses Sub Limit** shown in the **Schedule**;
- (c) **You** agree to repay any **Investigation Expenses** where, as a result of the investigation, there has been a finding of criminal conduct on **Your** part;
- (d) should claims be covered under both this Section 1 additional benefit. Investigation Expenses and Section 1 additional benefit Statutory Liability, then **Our** aggregate liability for all claims made under both additional benefits shall not exceed the Statutory Liability Sub Limit shown in the **Schedule**.

4. Public Relations Expenses

We will pay the reasonable fees, costs and expenses of any public relations consultant engaged by **You** for the sole purpose of protecting **Your** reputation that has been brought into question as a direct result of **Your** conduct of the **Professional Business** which has led, or could reasonably be expected to lead, to a **Claim** against **You**, provided that:

- (a) **You** notify **Us** in writing during the **Policy Period** and within 30 days of **You** first becoming aware of **Your** reputation being brought into question and provide **Us** with full details of the circumstances surrounding the event;
- (b) **We** have given written consent, which will not be unreasonably withheld, to the appointment of the public relations consultant;
- (c) **We** will not pay more than the aggregate Public Relations Expenses Sub Limit shown in the **Schedule** for all such fees, costs and expenses during the **Policy Period**.
- (d) No **Deductible** shall apply to this additional benefit.

5. Statutory Liability

- (a) **We** will cover **You** for **Statutory Liability** for any **Claim** first made against **You** and notified to **Us** in writing during the **Policy Period**, where that liability is incurred in the course of the conduct of the **Professional Business**, provided that **We** are not legally prohibited from doing so.
- (b) **We** will not cover **You** for any **Statutory Liability** which arises directly or indirectly from or in connection with any:
 - (i) intentional or knowing violation or breach of law;

- (ii) conduct on **Your** part which is grossly negligent or reckless,
but only if established by **Your** admission or by judgment or other final adjudication against **You**.
- (c) Subject to sub-paragraph (g) below, **Our** liability for all claims made under this coverage shall not exceed, in the aggregate, the Statutory Liability Sub Limit shown in the **Schedule** (including **Defence Costs**), less the **Deductible**.
- (d) A **Deductible** of \$5,000 shall apply to this additional benefit.
- (e) If **Statutory Liability** is not covered under this additional benefit, there is no cover for **Defence Costs**;
- (f) should claims be covered under both Section 1 additional benefit Statutory Liability and Section 1. additional benefit Investigation Expenses, then **Our** total liability for all claims made under both additional benefits shall not exceed the Statutory Liability Sub Limit shown in the **Schedule**, in the aggregate.

ADDITIONAL BENEFITS

The following benefits automatically apply to this **Policy**. These benefits are included in, and do not increase the **Limit of Liability**.

6. Acquisitions and Mergers

- (a) If, during the **Policy Period**, the **Named Insured** acquires or creates a new **Subsidiary** or merges with any other company or entity, **We** will provide automatic cover under this **Policy** for such newly acquired, created or merged entity for a period of up to thirty (30) days from the date of such creation, merger or acquisition (subject always to the **Policy Period**), in respect of any **Claims** arising from that entity's provision of professional services whilst under the **Named Insured's Control**.

We will provide this cover on the following basis:

- (i) **You** give **Us** written notice of the acquisition, creation or merger as soon as reasonably practicable, together with any such additional information as **We** may reasonably require; and
- (ii) the newly acquired, created or merged entity provides the same type of professional services as **Your Professional Business**.
- (b) **We** may, at **Our** discretion, agree to provide further coverage to such newly acquired, created or merged entity beyond a period of thirty (30) days, subject to any reasonable additional premium or conditions required for the increase in risk resulting from the creation, acquisition, or merger.
- (c) Notwithstanding (a) and (b) above, this additional benefit does not provide any cover in respect of:
 - (i) any newly created, acquired or merged entity that is domiciled or incorporated in **North America**; or

- (ii) any **Claim** arising out of any fact or circumstance known by the merged or acquired entity before the merger or acquisition date and which the merged or acquired entity at the time knew could result, or should reasonably have expected may result, in a **Claim** against it in the future.

For the purposes of the coverage provided under this additional benefit, the definition of **Insured** is extended to include any such company, or other entity created by, acquired by or merged with the **Named Insured**.

7. Consultants, Contractors and Sub-Contractors

We will cover **You** for any **Claim** first made against **You** and notified to **Us** in writing during the **Policy Period** for work performed or services provided on **Your** behalf by **Your** consultants, contractors and sub-contractors in the conduct of **Your Professional Business**.

However, no cover is provided to those consultants, contractors or sub-contractors.

8. Consumer Protection Legislation

We will cover **You** for any **Claim** first made against **You** and notified to **Us** in writing during the **Policy Period** for any unintentional breach of the *Competition and Consumer Act 2010 (Cth)*, or any of the fair-trading legislation enacted for consumer protection within any Australian jurisdiction.

However, this **Policy** does not cover any **Claim** (including **Defence Costs**):

- (a) arising out of or happening through deliberate or fraudulent conduct which is established by **Your** admission, or by any final, non-appealable adjudication or judgment; or
- (b) made pursuant to the penalty or criminal provisions of such legislation.

9. Continuity

Notwithstanding Special Exclusion 8. of this Section, Known Claims or Circumstances, and in the absence of any fraudulent non-disclosure or misrepresentation by **You**, where:

- (a) a **Claim** is first made and notified to **Us** during the **Policy Period** in relation to the conduct of the **Professional Business** which arises from a fact or circumstance known by **You** prior to the commencement of the **Policy Period**; and
- (b) **We** were **Your** professional indemnity insurers at the time when **You** first became aware of that fact or circumstance which gave rise to the **Claim** and have continued, without interruption, to be **Your** professional indemnity insurer up until and including the time when the **Claim** was made;

then, **We** will cover **You** for that **Claim** in accordance with the terms and conditions of this **Policy**, provided always that **We** can reduce **Our** liability in respect of any such **Claim** to the extent that **Our** interests are prejudiced as a result of the late notification of the **Claim** or circumstance.

10. Defamation

We will cover **You** for any **Claim** first made against **You** and notified to **Us** in writing during the **Policy Period** for defamation by reason of words written or spoken in connection with **Your** conduct of the **Professional Business**.

11. Dishonesty of Employees

Notwithstanding General Exclusion 8. Dishonesty, **We** will cover **You** for any **Claim** first made against **You** and notified to **Us** in writing during the **Policy Period**, which is brought about or contributed to by the dishonest, fraudulent, criminal, reckless or malicious act or omission of **Your Employee**.

However, **We** will not cover:

- (a) any person committing or condoning such dishonest, fraudulent, criminal, reckless or malicious act; and
- (b) any **Claim** arising from or in any way connected to loss of money, negotiable instruments, shares, bonds coupons, stamps or any virtual currency.

12. Former Subsidiary

We will cover **You** for loss arising from any **Claim** for **Civil Liability** in connection with the conduct of the **Professional Business** by a former **Subsidiary** of the **Named Insured** which had ceased to be a **Subsidiary** before the commencement of the **Policy Period**.

13. Franchisors' Indemnity

If **You** operate as a real estate franchisee then **We** will cover the franchisor for any **Claim** arising out of its vicarious liability for **Your** acts, errors or omissions in **Your** conduct of the **Professional Business**, as if the **Claim** were made against **You**.

14. General Insurance Distribution

We will also cover **You** for any **Claim** arising out of **Your** conduct of the **Professional Business** involving the distribution by **You** of general insurance products that does not require an Australian Financial Services Licence and such distribution is in a capacity other than as an authorized representative of an Australian Financial Services holder.

However, **We** will not cover **You** for any **Claim** arising out of or in connection with:

- (a) the failure by **You** to give written disclosure of any commission, fee or other benefit arising out of the provision of advice, services or products in the capacity of a general insurance product distributor; or
- (b) the provision of advice by **You** in respect of general insurance products.

15. Intellectual Property Rights

We will cover **You** for any **Claim** first made against **You** and notified to **Us** in writing during the **Policy Period** for **Civil Liability** arising from an unintentional breach, or infringement of trademarks, trade secrets, patents, copyright, registered designs or the system or programs of others committed in **Your** conduct of the **Professional Business**.

However, no indemnity will be afforded to any **Insured** who intentionally commits, assists or condones such conduct.

16. Joint Venture Liability

We will cover **You** for **Your** own proportion of liability arising from **Your** conduct of the **Professional Business** as a partner in any joint venture which was disclosed to **Us** and is specified in the **Schedule** provided that:

- (a) a **Claim** is first made and notified in writing to **Us** during the **Policy Period**;
- (b) the **Claim** is made by a **Third Party** who does not have a beneficial interest in the joint venture; and
- (c) no coverage is provided to **Your** joint venture partner.

17. Loss of Documents

We will cover **You** for damage to or loss or destruction of any **Documents** within the **Policy Period**, provided that:

- (a) **You** must, as soon as reasonably practicable after discovery, give **Us** written notice of any **Documents** which have been destroyed, damaged, lost or mislaid and after a reasonable search, cannot be found;
- (b) the amount claimed shall be supported by invoices or accounts to be assessed by a competent person to be nominated by **Us** with **Your** approval, but failing approval, a competent person will be appointed by the Resolution Institute;
- (c) there is no cover for loss, damage or destruction arising from or connected with wear and tear, vermin, mould or mildew or any other gradual operating cause;
- (d) **We** will not cover **You** for any liability, costs or expenses which are covered under any other part of this **Policy**.
- (e) **You** shall do all things reasonably necessary to permit **Us** to exercise our right of subrogation against any other person(s) for the recovery of **Documents** or any such loss;
- (f) No **Deductible** will apply to the cover provided under this additional benefit.

18. Run-Off Cover

In the event of a **Change of Control** or if the **Named Insured** ceases to exist or carry on the **Professional Business**, **We** will continue to provide cover to that **Insured** under this **Policy** until the end of the **Policy Period**, provided that such coverage is provided solely in respect of **Civil Liability** arising from the conduct of the **Professional Business** occurring prior to the date of the **Change of Control** or cessation.

19. Spouse Liability

We will indemnify **Your Spouse** where any **Claim** against **You** which is covered under this **Policy**, is also made against **Your Spouse** solely by reason of:

- (a) his or her status as **Your Spouse**;
- (b) his or her ownership or other interest in property which is the object of the remedy sought by the person making the **Claim**.

SPECIAL EXCLUSIONS TO SECTION 1

The following Exclusions apply only to Section 1. The Exclusions applicable to all Sections of the **Policy** also apply to Section 1.

We will not provide cover under this **Policy** for any liability caused by or arising directly or indirectly out of, or in connection with:

1. Bodily Injury and Property Damage

Bodily Injury or **Property Damage**, (including any consequential claim for apportionment, contribution or indemnity in connection with any **Bodily Injury** or **Property Damage**) except to the extent:

- (a) that the **Bodily Injury** or **Property Damage** arises out of any advice, design, specification, or formula devised by the **Insured** in connection with the **Professional Business**; or
- (b) that **Property Damage** is covered under additional benefit Loss of Documents.

2. Comingling

any actual or alleged:

- (a) comingling and/or mixing of client or trust fund monies with the **Insured's** funds; or
- (b) misappropriation of, or irregularity relating to, any client or trust fund monies.

3. Conflict of Interests

any direct or indirect conflict of interests in connection with **Your** conduct of the **Professional Business**.

4. Directors' and Officers' Liability

the actual or alleged breach by any natural person insured by this **Policy** of a duty owed solely in that person's capacity as a director or officer of any body corporate.

5. Financial, Legal and Other Advice

- (a) loss, or loss of value of any investment, or the failure of any investment to appreciate in value; or
- (b) any actual or alleged representation, forecast or guarantee express or implied, provided by or on **Your** behalf; or
- (c) legal services or advice;

6. Insolvency of the Insured

the administration, receivership, insolvency, bankruptcy or liquidation of the **Insured**.

7. Intellectual Property

any infringement of copyright, trademark, trade secrets, registered design or patent, or any plagiarism, or breach of confidentiality, or breach of or infringement of privacy except to the extent covered under additional benefit Intellectual Property Rights.

8. Known Claims or Circumstances

any **Claim** made prior to the commencement of the **Policy Period**, or in respect of any **Claim**, loss, or circumstances:

- (a) notified under any previous insurance policy;
- (b) known by **You** at the commencement of the **Policy Period** and which **You** considered or

which a reasonable person in **Your** position would have considered, may give rise to a **Claim** and/or loss; or

- (c) stated in the proposal or declaration in relation to this **Policy** or any earlier insurance policy.

9. Repayment of Fees

- (a) the repayment or refund of any monies charged by **You** as fees, or other remuneration, or disbursements; or
- (b) costs incurred in relation to any dispute regarding the above; or
- (c) that portion of any judgment, settlement or award corresponding or calculated by reference to such fees or other remuneration, or disbursements; or
- (d) improper fees or commissions the actual or alleged charging of excessive, undisclosed or otherwise improper fees costs or other amounts charged by **You**.

10. Retroactive Date

any conduct in the course of the **Professional Business** which happened before the **Retroactive Date**.

11. Trading Debts

any trading debt incurred by **You**.

12. Valuation or Conveyancing services

- (a) any valuation made by **You** or on **Your** behalf; or
- (b) any conveyancing activities.

However, this exclusion does not apply to liability resulting from a **Claim** in respect of the provision of comparative market appraisals, estimates or opinions of the selling price of a property, as long as such appraisals, estimates and opinions are in writing and they specify that they are not valuations.

SECTION 2 – PUBLIC LIABILITY

COVER

Public Liability

1. **We** will cover **You** for **Your** legal liability to pay **Compensation** up to the **Limit of Liability** for any claim arising from an **Occurrence** within the **Territorial Limits** which happens during the **Policy Period** in connection with **Your Professional Business**.
2. If a claim is covered under this Section, **We** will, in addition to the **Limit of Liability**, but subject to a maximum amount equal to that of the **Limit of Liability**:
 - (a) cover **You** for all reasonable legal costs and expenses incurred by **You** with **Our** written consent, which will not be unreasonably withheld, in the investigation, defence or settlement of any claim which is covered under this **Policy**, including any costs and expenses to appeal or defend an appeal in relation to a claim.
 - (b) pay the legal costs incurred by **You** with **Our** written consent, which will not be unreasonably withheld, for representation at any:
 - (i) coronial inquest or enquiry;
 - (ii) proceedings in any court or other tribunal which relates to liability insured by this **Policy**;
 - (iii) royal commission, fatal accident inquiry or other formal enquiry by a lawfully constituted authority established to inquire into the circumstances surrounding any event that could result in a claim that would be covered under this **Policy**, or any disciplinary action against **You**.

We will pay these legal costs and expenses within 30 days of receipt by **Us** of detailed invoices for such costs.

If an amount of **Compensation** in excess of the **Limit of Liability** is required to dispose of a claim, then, the legal costs and expenses paid by **Us** will be in the same proportion as the proportion between the **Compensation** paid by **Us** and the total amount to dispose of the claim.

LIMIT OF LIABILITY

Our maximum liability in respect of any claim or any series of claims for **Bodily Injury**, **Property Damage** or **Advertising Liability** caused by or arising out of one **Occurrence** will not exceed the **Limit of Liability** specified in the **Schedule** for each and every **Occurrence**.

ADDITIONAL BENEFITS TO SECTION 2

1. Interest and Claimants Costs

We will also pay all amounts which **You** are obliged to pay under a judgment or award made against **You**, together with any pre-judgement interest **You** are found responsible for.

2. Temporary Protection

We will also pay for costs and expenses incurred by **You** for the cost of:

- (a) providing temporary protection to the property of others;
- (b) **Your** legal obligation to provide, erect or dismantle barriers for the temporary protection of property of others.

SPECIAL EXCLUSIONS TO SECTION 2

The following Exclusions apply only to Section 2. The Exclusions applicable to all Sections of the Policy also apply to Section 2.

We will not provide cover under this **Policy** for any liability caused by or arising directly or indirectly out of, or in connection with:

1. Advertising Liability

- (a) statements made by **You** which **You** knew to be false;
- (b) any incorrect description of **Your Products** or services;
- (c) a mistake in the advertised price of **Your Products** or services;
- (d) the failure of **Your Products** or services to conform with advertised performance, quality, fitness or durability;
- (e) **Your Professional Business**, if it is advertising, broadcasting, publishing or telecasting.

2. Claims covered under Section 1 Professional Indemnity or Section 3 Cyber Liability

any claim covered under Section 1 or Section 3 of this **Policy**.

3. Damage to Products

Damage to Your Products (or any part thereof) if that damage is caused by a defect in **Your Product** or their harmful nature or unsuitability, but this exclusion will only apply to the defective part, and not to **Property Damage** to the rest of **Your Product**.

4. Defamation

for defamation:

- (a) which was caused by statements made by **You** before the commencement of the **Policy Period**;
- (b) which **You** made, or directed be made knowing that they were false;

if **Your Business** is advertising, broadcasting, publishing, telecasting or social media hosting.

5. Listed Human Disease

Bodily Injury, or **Property Damage** in any way relating to any disease infectious in humans forming part of the Listed Human Diseases under or which is the subject of a Human Biosecurity Emergency under the *Biosecurity Act 2015 (Cth)*.

6. Loss of Use

loss of use of tangible property which has not been physically lost, damaged or destroyed which is caused by:

- (a) **Your** failure to perform **Your** obligations under an agreement on time, or at all; or

- (b) the failure of work performed by or on your behalf to meet the level of performance represented by **You**.

7. Manual Work

Bodily Injury or **Property Damage** arising out of any:

- (a) **Manual Work** undertaken by **You**; or
- (b) **Your** supervision of any persons carrying out **Manual Work**.

8. Molestation

any sexual assault, abuse or molestation or attempt thereof committed or alleged to have been committed by **You**.

9. Product Guarantee

Bodily Injury or **Property Damage** occurring as a consequence of the failure of any of **Your Product(s)**, or any part thereof, to fulfil the purpose for which it was intended to perform as specified, warranted, guaranteed or contractually required by **You** or which is imposed by law or statute.

10. Product Recall

any damages, costs or expenses incurred for the withdrawal, recall, inspection, repair, modification or replacement, or for the loss of use of **Your Products** after they have been recalled from sale or use by any party because of a known or suspected defect in them.

11. Professional Advice

Your provision of, or failure to provide professional advice or services.

However, this exclusion will not apply to liability arising from services by first aid attendants who are **Your Employees** and are engaged to provide first aid services at **Your** premises.

12. Property in Care, Custody or Control

damage to property owned, leased, hired by, or loaned or rented to **You**, or otherwise in **Your** care, custody or control except for:

- (a) any part of premises (including their contents) leased, rented or temporarily occupied by the **Insured** for the purpose of the conduct of **Your Business**, provided that **You** had not assumed responsibility to insure the premises;
- (b) personal property of **Your** directors, **Employees** and visitors;
- (c) any **Vehicle** and its contents not belonging to or being used by **You**, whilst such **Vehicle** is in a car park owned or operated by **You**, provided that **You** do not operate that car park for reward; and
- (d) any other property other than real property, up to a maximum of \$250,000, for any one **Occurrence** and in the aggregate for all **Occurrences** during the **Policy Period**.

13. Silica

the exposure to or the inhalation, ingestion or absorption of **Silica** or **Silica-Related Dust**.

SPECIAL CONDITIONS TO SECTION 2

The following Conditions apply to this Policy Section 2. There are also General Conditions which apply to all sections of this **Policy** and are detailed separately.

1. Cross Liability

Each insured party under this **Policy** shall for the purpose of this Section 2. be considered as a separate and distinct entity and "**Insured**" shall be considered as applying to each such party in the same manner as if a separate insurance policy has been issued to each of them in its name alone, provided that nothing in this Condition shall be deemed to increase the **Limit of Liability** under this section in respect of any **Occurrence** or **Policy Period**.

2. Discharge of Liability

We may at any time pay to **You** in connection with any claim or series of claims the amount of **the Limit(s) of Liability** (after deduction of sums already paid as **Compensation** in respect of such claim or claims or other relevant claims) or any lesser amount for which such claim or claims can be settled.

Upon such payment being made **We** relinquish the conduct and control of and be under no further liability in connection with such claim or claims other than the payment of costs and expenses:

- (a) recoverable from **You** for all or part of the period to the date of such payment;
- (b) incurred by **Us**;
- (c) incurred by **You** with **Our** written consent, which will not be unreasonably withheld, prior to the date of such payment.

SECTION 3 – CYBER

The cover under Section 3 of this **Policy** is provided on a “claims made and notified” basis. This means that this Section covers claims made against **You** which are notified to **Us** during the **Policy Period**.

COVER

We will cover **You**, up to the **Limit of Liability** shown in the Schedule for Section 3 against:

3. any **claim** made against **You** for a **Data Security Breach**;
4. any **Claim** made against **You** for a **Client Network Infection**; and
5. loss of **Funds** as a result of **Cyber Crime**;

which first occurs after the **Retroactive Date** and is first discovered by **You** during the **Policy Period**. General Exclusion 7. Cyber Loss will not apply to this Section.

SPECIFIC DEFINITION APPLICABLE TO SECTION 3

Solely in respect of Section 3 – Cyber, the following definition will apply:

Claim means:

1. a written demand received by **You** for money or services;
2. a civil proceeding against **You** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading;
3. arbitration, mediation, or other alternative dispute resolution proceeding against **You** seeking monetary damages or non-monetary or injunctive relief, commenced by the receipt of a written demand, service of a complaint or similar pleading;
4. a written request directed at **You** to toll or waive a statute of limitations applicable to a matter referenced in paragraphs 1. to 3. above.

SPECIFIC CONDITIONS APPLICABLE TO SECTION 3

In addition to the General Conditions applying to all Sections, the following conditions apply to Section 3:

1. It is a condition precedent to cover that **You**:
 - (a) maintain firewalls, anti-virus and malware prevention solutions on **Your Computer Systems** and update the protection in accordance with manufacturer recommendations;
 - (b) implement ongoing patch management process to ensure timely patching of **Your Computer Systems**;
 - (c) validate any new or amended bank details by telephone with a known contact at the transferee prior to making any transfer.

If this condition is not complied with, subject always to the *Insurance Contracts Act 1984*, **We** may be entitled to refuse to pay or reduce **Our** liability for any **Claim** under this **Policy** by an amount which fairly represents the extent **Our**

interests were prejudiced as a result of the non-compliance.

2. **You** must give **Us** written notice as soon as reasonably practicable of the discovery of any conduct that is fraudulent or dishonest by any person with access to or control of **Your Funds** or any lack of integrity by such person whether giving rise to a **Claim** or not.
3. On discovering a loss or circumstances likely to give rise to a loss covered by Section 3, **You** must, at **Your** own expense:
 - (a) as soon as reasonably practicable give written notice to **Us**;
 - (b) as soon as reasonably practicable give written notice to the police;
 - (c) within 28 days of discovering a loss or circumstances likely to give rise to a loss covered by Section 3, provide to **Us** a written statement containing details of the cause, description and amount of the loss and any other information that **We** may reasonably require;
 - (d) complete any claim form or sworn proof of loss that **We** may require;
 - (e) provide full assistance and cooperation to **Us** in investigating the loss; and
 - (f) take all reasonable steps to obtain recovery of the loss and prevent any further loss.
4. **We** may engage, at **Our** expense, a computer forensics specialist or security specialist to investigate any alleged **Data Security Breach** or **Client Network Infection**.
If **We** do so, **You** shall cooperate reasonably with such specialist's investigation.

SPECIFIC EXCLUSIONS APPLICABLE TO SECTION 3

In addition to the general exclusions applying to all Sections, under Section 3 **We** will not be liable for any **Claim**:

1. covered under any other section of this **Policy**;
2. unless **You** have previously exhausted **Your** rights and entitlements under any other fidelity bond or fund, whether of a statutory nature or not;
3. connected with any further **Cyber Crime** or **Data Security Breach** committed after the initial discovery of loss;
4. arising out of a **Cyber Crime** or **Data Security Breach** committed prior to the **Policy Period**;
5. for **Consequential Loss**;

For the purposes of this exclusion, **Consequential Loss** means any liability which attaches to the **Insured** as a consequence of its negligent acts, errors or omissions, including but not limited to, any loss of profits, loss of anticipated profits, loss of goodwill, loss of reputation or loss of production suffered by any third party;

nor any **Claim** resulting directly or indirectly out of, or in connection with:

6. failure to follow Specific Condition 1 to Section 3.
7. the actual or alleged intentional release or disclosure of confidential information by **You**

which is alleged to be in violation of any statute, regulation, ethical rule, court or arbitral order, or confidentiality agreement;

8. **Your** actual or alleged intentional transmittal of a **Computer Virus** or other electronic infection;
9. the costs of repairing, replacing, or modifying **Your** data security system or clearing **Your** computers or network of viruses and electronic infections, either preventatively or in response to a **Claim**;
10. the costs of restoring, re-collecting, repairing or replacing **Electronic Data**.
11. war, riot, civil commotion, insurrection, or usurpation of governmental power;
12. any governmental authority seizing or gaining access to **Your** computer or **Computer Network**;
13. any proceedings against **You** before a governmental agency in connection with a **Data Security Breach** or **Client Network Infection**, including any audit or other investigation by such governmental agency; and
14. any **Claim, Damages** or **Defence Costs** for which **You** are entitled to an indemnity under any other part of this **Policy**.