

Protecting and supporting your community



Child Care Insurance
Product Disclosure Statement
and Policy Wording

Table of Contents

About Ansvr	4	Governing law and jurisdiction	18
Insurance from one of Australia's leading specialist insurers	4	Limit of liability	18
About Ansvr	4	Monthly instalments	18
Our approach	4	Notices	18
Supporting our community	4	Payment of rewards	18
Contact us	4	Precautions by insured	18
		Service of legal process	19
		Spouse, estate and legal representatives	19
		Third party interests	19
		Unoccupied and/or unused location(s)	19
		Waiver of rights	19
Important information	5	Claim Conditions applicable to all Sections of the policy	19
About this Product Disclosure Statement	5	Your responsibility when making a claim	19
Changes to the PDS	5	Conduct of claims	20
Cooling off period	5	Letters of demand, other proceedings	20
Significant features and benefits	5	Allocation of Subrogation proceeds	21
Act of Terrorism	7	Fraudulent claims	21
Costs	8		
Excess	8	Part A: Property and Income Protection	22
Code of Practice and Privacy Act	8	Property Protection Section	22
Complaints and disputes	9	Specific Definitions applicable to Property Protection Section	22
Critical documents	9	What is covered	22
Your duty of disclosure	9	What damage is not covered	22
Goods and Services Tax	9	What property is not covered	24
		How much we will pay	24
		Basis of settlement – what we will pay	25
		Extensions	27
		Further Extensions	29
		Specific Condition applicable to Property Protection Section	31
The contract between you and Ansvr Insurance	10	Breakdown of Mechanical and Electronic Equipment Section	32
General Definitions applicable to all Sections of the policy	10	Specific Definitions applicable to Breakdown of Mechanical and Electronic Equipment Section	32
General Exclusions applicable to all Sections of the policy	15	Specific Conditions applicable to Breakdown of Mechanical and Electronic Equipment Section	32
General Conditions applicable to all Sections of the policy	16	Cover A – Breakdown of Mechanical Equipment	33
Additional parties	16	What is covered	33
Advancement of defence costs	16	What is not covered	33
Allocation of costs	16	Basis of settlement – what we will pay	35
Authorisation clause	16	Optional Extension	35
Automatic reinstatement of limit of liability or sum insured	17	Cover B – Breakdown of Electronic Equipment	36
Cancellation	17	What is covered	36
Changes	17	What is not covered	36
Claims preparation costs	17		
Credit provider's rights	17		
Excess	17		
Goods and Services Tax	17		
Headings	18		

Basis of settlement – what we will pay	36	Liability (Prior Claims Made)	57
Optional Extensions	37		
Money Section	38	Part C: Organisation Liability	59
Specific Definitions	38	Specific Provisions applicable to Part C: Organisation Liability	59
What is covered	38	Specific Definitions applicable to Part C: Organisation Liability	59
What is not covered	38	Specific Conditions applicable to Part C: Organisation Liability	59
Basis of settlement – what we will pay	38	Additional Exclusions applicable to Part C: Organisation Liability	59
Extensions	39		
Theft Section	40	Professional Indemnity Section	60
Specific Definitions	40	Specific Definitions applicable to Professional Indemnity Section	60
What is covered	40	What is covered	61
What loss or damage is not covered	40	What is not covered	61
What property is not covered	40	How much we will pay	63
Basis of settlement – what we will pay	40	Automatic Extensions	63
Extensions	41	Specific Conditions applicable to Professional Indemnity Section	67
Further Extensions	41		
General Property Section	42	Management Liability Section	67
Specific Definitions	42	Specific Definitions applicable to Management Liability Section	67
What is covered	42	What is covered	70
What is not covered	42	What is not covered	71
Basis of settlement – what we will pay	42	How much we will pay	75
		Automatic Extensions	76
		Specific Conditions applicable to Management Liability Section	82
Income Protection Section	43	Part D: Personal Accident	85
Specific Definitions applicable to Income Protection Section	43	Personal Accident Section	85
What is covered	43	Specific Definitions applicable to Personal Accident Section	85
What loss of income is not covered	43	Who is covered	85
How much we will pay	43	What is covered	86
Basis of settlement – what we will pay	44	What is not covered	86
Extensions	44	Insured events	87
Optional Extensions	46	Special Provisions applicable to the Table of Benefits	88
Specific Condition applicable to Income Protection Section	46	Automatic Extensions	89
		How much we will pay	91
		Initial period excluded	91
Part B: General Liability	48		
Specific Provisions applicable to Part B: General Liability	48		
Specific Definitions applicable to Part B: General Liability	48		
General Public and Products Liability Section	49		
What is covered	49		
What is not covered	49		
How much we will pay	53		
Automatic Extensions	54		
Optional Extensions	55		
Specific Provisions applying to Optional Extension 4 – Retroactive			

About Ansvar

Insurance from one of Australia's leading specialist insurers

Ansvar's in-depth knowledge of the care sector has been gained over many years as an insurance provider for aged care operators, child care facilities, nursing homes and disability care services.

Working with our society's most vulnerable requires an uncompromising level of commitment and care. At Ansvar, we have a unique understanding of the risks and industry requirements care facilities face, with this knowledge we've developed tailored insurance solutions.

About Ansvar

Ansvar is a leading risk and insurance provider for the Care, Community, Education, Faith and Heritage sectors in Australia. Owned by a charity, we are an ethical insurer committed to our community with all available profits going to charitable causes. Ansvar is dedicated to creating long-term partnerships, providing bespoke solutions and offering excellent customer service.

Ansvar is owned by the Ecclesiastical Insurance Office plc, est. 1887, a leading insurer of heritage, religious and charitable organisations in the UK.

Our approach

Service is paramount at Ansvar, and our team is committed to consistently providing the best client experience possible.

Our dedicated claims team is focused on quickly solving the problems of our clients. With a compassionate approach they are always mindful of the reputation of our clients, particularly when handling sensitive claims.

Because Ansvar understands the varied and complex risk exposure of our clients in our core sectors, we offer expert Risk Management advice and practical solutions to help our clients protect their assets and importantly, their people.

Through our expertise and flexible underwriting approach, Ansvar offers tailored insurance solutions to provide the right cover to suit the unique needs of our clients within our core sectors.

Supporting our community

Our goal is to be a valued and recognised contributor to the community. This has been the ethos of Ansvar since our inception.

Each year, through our Community Education Program, Ansvar donates a percentage of our profits to organisations that provide valuable support to improve and enrich the lives of young Australians, so that they may contribute positively to the community in which they live.

Contact us

Ansvar Insurance Limited (Ansvar Insurance), ABN 21 007 216 506, is the issuer of this insurance policy. The registered office of Ansvar Insurance is Level 5, 1 Southbank Boulevard, Southbank, Victoria. The Ansvar Insurance Australian Financial Services Licence number is 237826.

Our contact details are:

Ansvar Insurance

Phone: 1300 650 540

Post: GPO Box 1655, Melbourne, Victoria 3001

Email: insure@ansvar.com.au

Website: www.ansvar.com.au

Important information

About this Product Disclosure Statement

The purpose of this Product Disclosure Statement (PDS) is to assist you to understand your insurance policy and enable you to make an informed choice about your insurance requirements.

This PDS contains two sections:

1. Important Information
Provides general information about your Child Care Insurance Policy.
2. The Contract between you and Ansvar Insurance
Details what your policy covers, what your policy doesn't cover, and the terms and conditions of your Child Care Insurance Policy.

The Table of Contents provides a summary of the content of the PDS.

The Child Care Insurance policy in conjunction with the certificate of insurance we issue upon acceptance of your proposal and any endorsements attached to the certificate, provide the full terms, conditions and limitations of the insurance cover.

You will need to read the entire PDS for a full understanding of these terms, conditions and limitations including the benefits, risks and information about how the insurance premium is calculated.

Please read this PDS before you apply for this insurance.

This PDS was prepared in January 2019 and updated in March 2021.

Changes to the PDS

The information in this PDS and policy wording was current at the date of preparation. We may update some of the information in the PDS, that is not materially adverse to you, from time to time without needing to notify you. You can find out if we have updated the PDS and obtain a copy of any updated information by telephoning our toll free number (1300 650 540), calling at one of our offices or visiting our website at ansvar.com.au. We will be pleased to provide you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a supplementary or replacement PDS.

Cooling off period

We will refund the entire premium you have paid for cover under this insurance policy if you cancel the policy within 21 days of its commencement. To do this, you must advise us in writing and return the certificate of insurance to your nearest Ansvar Insurance office. You will not receive a refund if you have made a claim or intend to claim under the insurance policy.

Significant features and benefits

This insurance policy provides cover under ten Sections. You may select the appropriate Sections to meet your insurance requirements.

A summary of the significant benefits and available additional features is provided below. Some of these additional benefits are optional covers, and only provided if shown on your certificate of insurance. For full details of the extent of cover and the amounts we will pay, please refer to full terms and conditions, contained within this document, and the relevant Section(s).

Cover Available	Summary of cover	Additional Benefits
PART A: PROPERTY AND INCOME		
Property Insurance Section	<p>This Section covers you for accidental damage to your insured property at the location where you carry out your operations.</p> <p>Cover applies to the declared and/or defined property and is for damage occurring during the period of insurance up to the limit of liability and any applicable sub limits of liability.</p>	<p>We also provide cover for:</p> <ul style="list-style-type: none">• Accidental glass breakage• Catastrophe escalation costs• Contents temporarily removed from the location• Discharge of mortgage costs• External fixtures and fittings including landscaping• Flood• Personal effects• Property for exhibitions, festivals and events• Property in the open air• Temporary protection

Breakdown of Mechanical and Electronic Equipment Section	This Section covers you for breakdown in use of your declared mechanical equipment, including explosion of boilers and pressure vessels, and breakdown of your electronic equipment. Breakdown must occur during the period of insurance.	We also provide cover for: <ul style="list-style-type: none"> • Deterioration of refrigerated goods • Data medial material and records • Increase in cost of working
Money Section	This Section covers you for loss of money which occurs during the period of insurance.	We also provide cover for: <ul style="list-style-type: none"> • Clothing and personal effects • Funeral expenses • Increased limit for fundraising events • Public holiday increased limit • Replacement of safes, locks and keys
Theft Section	This Section covers you for theft of property (other than money) which occurs during the period of insurance.	We also provide cover for: <ul style="list-style-type: none"> • Clothing and personal effects • Funeral expenses • Metered water • Replacement of safes, locks and keys
General Property Section	This Section covers you for accidental damage to insured property occurring anywhere within the geographic limits.	
Income Protection Section	This Section covers you for loss of income during the indemnity period as a result of damage occurring during the period of insurance. A claim must be admitted under Property Protection, Money, Theft, and/or General Property Sections in order for a claim to be triggered under this Section.	We also provide cover for: <ul style="list-style-type: none"> • Access prevention • Additional accounting and other professional costs • Additional increase in cost of working • Additional severance pay • Book debts • Catastrophe escalation costs • Claims preparation costs • Customers' and suppliers' premises • Fines and penalties • Property in the vicinity
PART B: GENERAL LIABILITY		
General Public and Products Liability Section	This Section covers you for your legal liability (including legal liability arising out of your products) to pay compensation in respect of personal injury, property damage and/or advertising injury happening in connection with your operations during the period of insurance.	We also provide cover for: <ul style="list-style-type: none"> • Counselling services • Indemnifiable fines and penalties • Member to member liability • Public relations expenses • Sexual abuse (subject to acceptance criteria) • Trauma counselling costs

PART C: ORGANISATION LIABILITY		
Professional Indemnity Section	This Section covers you for a claim made against you or your employees during the period of insurance as a result of a breach of professional duty.	<p>We also provide cover for:</p> <ul style="list-style-type: none"> • Claims preparation costs • Continuous cover • Court attendance costs • Good Samaritan acts • Indemnifiable fines and penalties • Investigations and inquiries • Joint venture • New subsidiaries • Public relations expenses • Run-off cover • Spousal liability • Vicarious liability
Management Liability Section	This Section covers you, insured persons and trustees for liability for loss arising out of any claim due to an actual or alleged wrongful act in the management of your organisation.	<p>We also provide cover for:</p> <ul style="list-style-type: none"> • Advancement of defence costs • Attendance at official investigations and inquiries • Continuous cover • Court attendance costs • Crisis cover • Employee and third party fidelity • Internet liability • Joint venture • Outside directorships • Public relations expenses • Statutory liability • Tax audit • Trustee liability
PART D: PERSONAL ACCIDENT		
Personal Accident Section	This Section provides capital benefits and/or weekly bodily injury benefits for insured persons if they are injured whilst performing voluntary work for you, or whilst participating in or receiving services from your organisation. Insured persons may include voluntary workers, members, students and/or children.	<p>We also provide cover for:</p> <ul style="list-style-type: none"> • Exposure and disappearance • Emergency travel/accommodation expenses • Domestic help • Weekly child carer's benefit • Work transport benefit • Reimbursement of club membership fees • Return to work program assistance • Home tutoring costs • Home/car renovations • Corporate image

Act of Terrorism

This policy excludes cover as a result of an act of terrorism.

In the event that property damage and/or property owners liability occur linked to an event declared a terrorism incident by the responsible Minister, then you may be afforded protection within the limits of indemnity of this policy by virtue of the Terrorism Insurance Act 2003. Under the provisions of this Act, the settlement of claims including your loss may be reduced at the direction of the Minister to a percentage of that otherwise recoverable.

A more detailed explanation of the operation of the Terrorism Insurance Act 2003 (Cth) can be obtained at www.arpc.gov.au.

Costs

The premium payable by you for this insurance policy is shown in your certificate of insurance, and is determined considering factors such as those noted in the table below.

Factor	Increased premium	Reduced premium
Cover selected	Each additional section and/or option selected	Not selecting a section or option
Claims history	Adverse previous claims	Low number of previous claims
Excess	Low excess	High excess
Sum insured / limit of liability	Higher sum insured / limit of liability	Lower sum insured / limit of liability
Age of buildings	Old buildings	New buildings
Construction of buildings	Timber or mixed materials	Brick
Fire protection systems	No sprinklers	Sprinkler system with single or double water supply
Indemnity period for loss of income	Longer period of cover	Shorter period of cover
Location of buildings	Remote location	Close proximity of fire services
Loss of income	High income	Low income
Machinery breakdown	High number of machinery units	Low number of machinery units
Security	No deadlocks on external doors	Monitored alarms
Extent of activities	External activities, for example, fetes, fundraising activities in public places, excursions	No, or very few, external activities or excursions
Number of children in care	High number of children	Low number of children
Size of operation	High numbers of employees and volunteers within the organisation	Low numbers of employees and volunteers within the organisation
Turnover	High turnover or income from your activities	Low turnover or income from your activities
Volunteers	High number of volunteers	Low number of volunteers

Premiums and fees are subject to Commonwealth and State taxes and levies which include Goods and Services Tax, Stamp Duty and Fire or Emergency Services Levy (if applicable in your State). All are shown in your certificate of insurance.

Excess

The excess payable by you in respect of each and every claim under each section of this policy is shown in the certificate of insurance and will be deducted from your loss before applying any limit of liability or sum insured under this policy. The amount of this excess is nominated by you and agreed by us. It is noted in the certificate of insurance. For further details about the excess, please refer to the Excess General Condition.

Code of Practice and Privacy Act

As a signatory to the General Insurance Code of Practice we are committed to raising standards of service to our customers. This voluntary code sets out the minimum standards we will uphold in the services we provide to you.

You can obtain more information on the Code and how it assists you by contacting us.

Ansvar places the highest priority on providing prompt, efficient and friendly service including the protection of your privacy.

We collect your personal information to provide you with insurance products. The information we collect is used to assist us to provide you with our general insurance products, to manage our relationship with you and to assess and process claims. We will not be able to supply you our policy if you do not provide us with your personal information. The information is generally collected from you when you are applying for or enquiring about our insurance products or when making a claim.

You may access your personal information by contacting any of our offices. The information we collect is used to assist us to provide you with our general insurance products and to manage our relationship with you.

At times we rely on third party suppliers (agents, lawyers, other insurance companies, assessors, investigators, loss adjusters, market research and mailing houses) to perform specialised activities for us. Your personal information may be provided to them so that they can carry out their agreed activities. They are bound by confidentiality and non-disclosure agreements and are prohibited from using the information for any other purpose. These service providers are aware of their obligations under the Privacy Act 1988 (Cth) and the General Insurance Code of Practice. We are unlikely to provide your personal information to overseas recipients.

Our Privacy Policy includes further information about how we handle your personal information including how you can access and correct your information or make a privacy related complaint. For more information please visit our website: www.ansvar.com.au/privacy/ or you can contact one of our offices.

Complaints and disputes

Ansvar is committed to resolving any complaint you may have in relation to our products, services or handling of your personal information. Our process has 3 key stages.

1. Make a complaint

Please refer your complaint to us using one of the following options:

Phone: 1300 650 540

Email: insure@ansvar.com.au

Post: **Ansvar Customer Disputes Resolution**
GPO Box 1655, Melbourne, Victoria 3001

Your complaint will be reviewed and a response provided to you within 7 business days of us receiving notice of the complaint. Please ensure you provide a telephone number at which you may be contacted.

2. Refer for internal dispute resolution

If you are not satisfied with our response, you may ask us to refer your complaint to our Internal Dispute Resolution Committee. The committee is made up of representatives from across our organisation that have the appropriate knowledge and authority to deal with your complaint. The committee will review your complaint and provide their decision in writing to you within 7 business days from the date of receiving all necessary information about your concerns.

3. Refer for external dispute resolution

Ansvar is a member of the Australian Financial Complaints Authority (AFCA). AFCA was established in 2018 as an independent service to deal with complaints from consumers and small business about financial services and products. If we are unable to resolve your complaint, you may seek advice from AFCA.

Contact the **Australian Financial Complaints Authority**

Website: www.afca.org.au

Phone: 1800 931 678

Email: info@afca.org.au

Post: GPO Box 3, Melbourne, Victoria 3001

Critical documents

It is important to read/retain the following documents and keep them in a safe and convenient place:

- a) this document;
- b) your current Certificate of insurance;
- c) photographs or certificates confirming ownership of your most valued possessions.

Remember to regularly review your insurance policy, particularly at renewal to ensure your insurance policy provides the cover that you currently need.

Your duty of disclosure

Before you enter into an insurance contract, you have a duty of disclosure under the Insurance Contracts Act 1984. If we ask you questions that are relevant to our decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

You have this duty until we agree to insure you.

You have the same duty to disclose these matters to us before you renew, extend, vary or reinstate an insurance contract.

If you do not tell us something

If you do not tell us anything you are required to tell us, we may cancel your contract or reduce the amount we will pay you if you make a claim, 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.

Goods and Services Tax

This insurance policy has provision for payment of Goods and Services Tax:

- a) by you in relation to premiums;
- b) by us in relation to claims.

The contract between you and Ansvar Insurance

In consideration of payment of *your* premium, *we* will insure *you* under the sections of this *policy* that are shown in *your certificate of insurance*. *Your* insurance commences from the time *we* accept *your proposal* or variation and concludes at 4.00pm local standard time on the date shown in the *certificate of insurance*.

We only insure *you* for those *policy* sections and Optional Extensions that are shown in the *certificate of insurance*.

If the terms of this *policy* are not observed, cover may be reduced or cancelled to the extent that the non-compliance prejudices *our* interest.

General Definitions applicable to all Sections of the policy

Certain words and phrases that appear in this *policy* in ***bold italics*** have special meanings as set out below (General Definitions). In addition, some sections contain definitions for words specific to that particular section so these General Definitions should be read in conjunction with such Specific Definitions. If there is a Specific Definition for a word or phrase which is also included in the General Definitions, the Specific Definition will prevail.

Where used in this policy:

Act of Parliament means any Act of the Parliament of the Commonwealth of Australia or the States or Territories of Australia, including any subordinate or delegated legislation or regulation made under and any amendment, consolidation or re-enactment of any of those Acts.

act of terrorism means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- a) involves violence against one or more persons;
- b) involves ***damage*** to property;
- c) endangers life other than that of the person committing the action;
- d) creates a risk to health or safety of the public or a section of the public; or
- e) is designed to interfere with or to disrupt an electronic system.

aggregate limit of liability means the maximum amount under any section, particular ***insuring clause*** or automatic extension as shown in the ***certificate of insurance*** or as may be expressly stated that *we* are liable to pay for all losses and ***claims*** the subject of cover under the respective section, ***insuring clause*** or automatic extension in any one ***period of insurance***.

aircraft means any vessel, craft or thing made or intended to fly, float, glide or move in or through the atmosphere or space, or over water, and includes hovercraft. However, ***aircraft*** does not mean model aircraft, remotely piloted aircraft or unmanned aerial vehicles, provided that the ownership or operation is incidental to *your* main ***operations***.

asbestos means asbestos, asbestos fibres or any derivatives of asbestos including any product containing any asbestos, asbestos fibres or any derivatives of asbestos.

basis of settlement means the method of determining the loss to the insured and how a ***claim*** is settled. The ***basis of settlement*** is defined under each section of this ***policy***.

business hours means *your* office and working hours (including overtime) during which *you* or *your officials, employees* or *volunteers* are on the ***locations*** for the purposes of *your operations*.

certificate of insurance means the ***certificate of insurance*** attaching to this ***policy*** or any ***certificate of insurance*** subsequently issued during the ***period of insurance***, and which shows:

- a) ***your operations***;
- b) the various sections of the policy selected by *you* for insurance;
- c) the sums insured and/or ***limits of liability*** applicable;
- d) the premiums payable for this insurance.

child, children means any person under the age of 18 years officially registered for care with the insured ***organisation***.

claim means an application lodged by *you* for indemnity following loss, ***damage, personal injury*** or liability arising from an event covered under a Section of this ***policy*** selected by *you*.

committee means any committee established by *you*, including any auxiliary committee, foundation, trust (other than a superannuation trust), or fundraising committee, or disciplinary, examining or research body or committee, or sporting or social club committee.

compensation means monies paid or agreed with *our* consent to be paid (including damages) by judgment, award or settlement including all charges, expenses and legal costs recoverable from *you* or an ***insured person***. It does not include the costs of complying with any non-monetary relief.

computer crime means an act or acts of a person, other than an ***employee or official***, leading to:

- a) the theft of ***your***:
 - i. assets under the direct or indirect control of a computer system by manipulation of computer hardware or software programmes or system by any person to whom *you* have not given authorised access;

- ii. funds from an account which **you** maintain at a financial institution through fraudulent electronic, telephone or written instructions to debit, transfer or deliver funds from such account, where such instructions must appear to have been given by **you** or by someone to whom **you** have given authorisation but have in fact been fraudulently retransmitted, issued or fraudulently altered by that unauthorised person; or
- b) the unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **computer system**.

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

cyber-attack means a set of instructions that are designed to modify, alter, damage, destroy, delete, record or transmit **electronic data** without **your** authorisation including those instructions that are self-replicating or self-propagating and are designed to contaminate other computer programs or electronic data, consume computer resources or usurp the normal operation of internet activities causing undesired program or computer operation.

damage, damaged means physical loss, destruction or damage.

defence costs means all reasonable costs and expenses (other than regular or overtime wages, salaries or fees of any **official** or **employee**) incurred by **us** or by **you** with **our** prior written consent (such consent not to be unreasonably withheld), including costs incurred by **us** or by **you** for legal representation in defending, investigating, attending or monitoring any **claim** or proceedings, official **investigations**, examinations, inquiries and the like, or from any subsequent appeals, together with all reasonable costs of bringing such appeals.

discrimination means any act or alleged act of discrimination which is in breach of State or Federal discrimination law.

electronic data means facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

employee means any person who is:

- a) employed by **you** under a contract of employment as a full-time part-time, casual or temporary employee or working for **you** under a contract of service or apprenticeship;
- b) under a contract of service or apprenticeship with another employer but is seconded to work for **you**;
- c) under a work experience scheme with **you** and is deemed by legislation in respect of work related accident compensation or occupational health and safety to be an employee of **yours** or a worker in relation to **you**.

endorsement means any document so designated and issued by **us**, that amends the **policy** wording or any details specified in the **certificate of insurance**. An **endorsement** does not affect the **limit of liability**, **aggregate limit of liability** or **aggregate section limit** or any other term of the **policy**, except to the extent expressly provided in the **endorsement**.

excess means the amount **you** must contribute towards each and every **claim** under this **policy** and is shown in the **certificate of insurance** in respect of each Section, **insuring clause**, or Extension as applicable.

flood means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

- a) a lake (whether or not it has been altered or modified);
- b) a river (whether or not it has been altered or modified);
- c) a creek (whether or not it has been altered or modified);
- d) another natural watercourse (whether or not it has been altered or modified);
- e) a reservoir;
- f) a canal;
- g) a dam.

geographic limits means the Commonwealth of Australia, except where otherwise stated under a specific section of this **policy**.

glass means external glass and internal glass, plastic used as an alternative to glass and porcelain forming part of the fixtures and fittings belonging to **you** or for which you are legally responsible.

indemnity value means the **replacement value** of any item of **insured property** less an allowance for depreciation, age, wear and condition at the time of **damage**.

insured property means, in respect of each section of this **policy**, the property belonging to **you** or for which **you** are responsible for insuring which are:

- a) shown on the **certificate of insurance** as covered by that section; and/or
- b) defined as **insured property** under the specific definition for the relevant section.

investigation means an inquiry, administrative or regulatory authority investigation, examination or hearing commenced by an **official body**:

- a) which the insured person is legally compelled to attend; and

- b) which has as its subject matter the affairs or the conduct of an **insured person** in that capacity, or the conduct of the **operations**; and
- c) notice of which is first served on the insured person and notified to **us** in the **period of insurance**.

joint venture means any incorporated enterprise undertaken jointly by **you** and a third party or parties.

known circumstance means any fact, situation or circumstance which **you, your** officials or any insured person knew about prior to the commencement of the **period of insurance** and which a reasonable person in the circumstances would have considered might result in a claim covered under this policy.

landscaping means decorative trees, shrubs, plants and rockwork.

liability claims means **claims** which are lodged against any Section of Part B: General Public and Products Liability and Part C: Organisation Liability of **your policy**.

location(s) means the place where **you** carry out **your operations** as stated in the **certificate of insurance** including storage sites utilised by **you** and other places including work sites where **you** have goods or property.

medical practitioner means a person who:

- a) is defined as a medical practitioner under the National Law or regulations made under National Law; and
- b) is registered under National Law to practice that profession.

money means current coin, bank notes, currency notes, negotiable instruments of every description, debit and credit card vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport tickets, taxi transport vouchers, cab charge vouchers and authorised gift vouchers belonging to **you** or for which **you** are responsible but does not include collectable items such as coin or stamp collections or anticipated revenue.

National Law means the Health Practitioner Regulation National Law established under the Health Practitioner Regulation National Law Act 2009 or equivalent legislation enacted in any state or territory of Australia.

official means any past, present or future director, trustee, office bearer, executive, **committee** member or manager of **yours** or other person elected by **you** to represent **your organisation** and act on behalf of **your** governing body in directing, managing or supervising **your operations**. **Official** does not include a liquidator, external auditor, receiver, receiver and manager, official manager, administrator, registrar, trustee or person administering a compromise or scheme of arrangement of the **operations** or any **employee** of such person.

official body means any **regulatory authority**, government or administrative body or agency, official trade body or self-regulatory body legally empowered to investigate the affairs of the **organisation** or **outside entity** or the conduct of an **insured person** in such capacity.

operations means the **operations**, activities or services specified in the **certificate of insurance** and includes:

- a) the organisation by **you** of working bees and other community services for the benefit of **children** in **your** care;
- b) the provision by **you** of catering and first aid services for **your officials, employees, volunteers, children** in **your** care and visitors;
- c) the provision by **you** or on **your** behalf of fire and security services maintained only for the protection of **your location(s)** and property belonging to **you** or for which **you** are responsible;
- d) exhibitions, festivals, educational, social and similar events organised by **you** or under **your** control or conducted with **your** consent;
- e) the ownership and or occupation of **location(s)** used solely in connection with **your** child care **operations**;
- f) the repair or maintenance of commercial **location(s)** belonging to **you** or for which **you** are responsible;
- g) any incidental work undertaken for **your** benefit or the benefit of any **organisation** or entity specified in the definition of **you**, by **your employees, volunteers** or **officials**; and
- h) any other activities or services **we** have specifically agreed in writing.

organisation means any company or other incorporated entity under the laws of Australia but excluding any entity whose **securities** are traded on a primary, secondary or other market in the United States of America or its territories and/or protectorates.

penalty means any monetary sum payable by **you** or an **insured person** and required by an order of a court of competent jurisdiction, to any **regulatory authority** pursuant to an **Act of Parliament** but excluding:

- a) any amounts payable as **compensation**;
- b) any compliance, remedial, reparation or restitution costs;
- c) any amounts payable for income tax, customs duties, excise duty, stamp duty, sales tax or any other State or Federal tax or duty;
- d) any exemplary or punitive damages;
- e) liabilities that are not insurable by law;
- f) any legal and other costs directly attributed to the penalties levied on **you** or the **insured person**; and
- g) any consequential or economic loss.

period of insurance means the time and date cover under this **policy** starts to the time and date cover under this **policy** expires shown in the **certificate of insurance** and any subsequent period which **we** agree by **endorsement**.

personal effects means personal items worn or carried about the person including bicycles and sporting equipment, prostheses and mobility aids but does not include:

- a) **money**;
- b) credit or debit cards;
- c) jewellery; and
- d) **vehicles**.

personal injury means:

- a) bodily injury, illness, disease, disability, shock, fright, mental anguish (which occurs as a direct result of an accident), mental illness arising as a direct result of a brain injury, psychological injury, death or loss of consortium;
- b) assault or battery including use of reasonable force by **you** or at **your** direction for the sole purpose of preventing or eliminating danger to persons or property;
- c) the publication or utterance of defamatory or disparaging material, after the commencement of this policy;
- d) wrongful entry upon, wrongful eviction from or other invasion of right to private occupancy of property;
- e) invasion of privacy; and
- f) false arrest, wrongful detention, false imprisonment, malicious prosecution or humiliation.

policy means this contract of insurance entered into between **you** and **us**. This document, **your certificate of insurance** and any **endorsements** attached provide a full description of the terms, conditions and limitations of the insurance cover.

pollutant means any solid, liquid, gaseous, biological or thermal irritant or contaminant including but not limited to: smoke, vapour, fumes, noise, odour or any other air emission, electric or magnetic or electromagnetic fields, soot, acids, alkalis, chemicals, waste or material to be recycled, reconditioned or reclaimed, waste water, oil or oil products, infectious or medical waste.

products means anything (after it has ceased to be in **your** physical custody or control) which is or is deemed by law to have been manufactured, constructed, grown, extracted, produced, processed, assembled, altered, imported or exported, sold, supplied, distributed, installed, erected, serviced, repaired, or treated by **you** in the course of **your operations** and includes:

- a) the labels, packaging and containers of any product;
- b) the design, formula or specification of any product;
- c) directions, markings, instructions, warnings or advice given or omitted to be given in connection with any product.

For the purpose of this insurance the term **products** does not include food and beverages:

- a) supplied by **you** or on **your** behalf primarily to **your employees** as a staff benefit;
- b) served in any dining room or at any function to **employees** or guests for consumption at **your** premises; or
- c) supplied from any vending machine or any other property rented to or located for use of others but not sold by **you**; and
- d) **our limit of liability** in respect of or **claims** for **compensation** against **you** arising out of the supply or serving of any such food and beverage shall be that applicable to General Liability as defined in Part B: General Public and Products Liability.

property damage means:

- a) physical loss of or **damage** to tangible **property** including loss of use resulting therefrom;
- b) loss of use of tangible **property** which has not been destroyed where such loss of use is caused by an event not excluded by the **policy**, happening during the **period of insurance**.

proposal means the completed, signed and dated insurance application form or renewal declaration document provided to **us** by the **insured** which contains information supplied by the **insured**, upon which **we** relied when agreeing to provide cover to **you** under this **policy**.

Registered health professional means a person who:

- a) is defined as a registered health professional under the **National Law** or regulations made under **National Law**; and
- b) is registered under **National Law** to practice that profession.

replacement value means the replacement value of any item of property as new without any deduction for depreciation, age, wear or condition.

retroactive date means the date set out in the **certificate of insurance** applicable to each relevant Section and/or **insuring clause**.

safe means a burglar resistant container or strongroom purposely built to resist fire and intrusion and specifically designed for the storage of **money** and valuables.

securities means any negotiable or non-negotiable instruments or contracts representing **money** or other property including but not limited to any shares, debentures, stocks, notes, warrants, options, or any security for debt or equity issued or given by **you** but excluding **money** and **property**.

senior counsel means a barrister in active practice who is entitled to use the post-nominal's Q.C. or S.C. in any one or more superior courts in

Australia or New Zealand.

sexual abuse means any assault or abuse of a sexual nature, sexual molestation, indecent exposure, sexual harassment or intimidation, whether such act is the subject of criminal investigation or not.

sporting equipment means equipment owned by **you** which is used in connection with **your operations** for sporting endeavours and pursuits only.

spouse means a lawful spouse, domestic partner (including without limitation same sex partner) or any person deriving similar status by reason of the common law or statute.

storm surge means the short period rise or fall of the sea level produced by a cyclone.

subsidiary means any **organisation** or other incorporated entity which at the inception of the **period of insurance** by virtue of Australian law was or is, either directly or indirectly a subsidiary of the insured shown in the **certificate of insurance**, provided always that the accounts of any subsidiary are consolidated into **your** accounting records in accordance with the relevant accounting standard.

third party means any natural person or entity other than an insured. For the sake of clarity, a **third party** can include a customer to whom the insured provides goods or services for a fee or not.

vehicle means any type of machine on wheels or on self-laid tracks made or intended to be propelled other than by manual or animal power and any trailer intended to be drawn by such machine. **Vehicle** does not mean mowers, garden implements and mobility aids.

volunteer means any person who is engaged by **you** to work or to provide services to **you** or on **your** behalf for **your** benefit in the carrying out of **your operations** and who receives no remuneration or **compensation in money** or other benefit for carrying out their duties for **you**.

watercraft means any vessel, craft or thing made or intended to float on or in or travel on or through water other than by means of human propulsion.

we, us, our means Ansvr Insurance Limited ABN 21 007 216 506 AFS Licence No 237826.

you, your, yours means:

- a) the persons, entities, or **organisations** named as the insured in the **certificate of insurance**;
- b) all **your subsidiaries** under **your** control and over which **you** exercise active management, existing at the commencement date of the **period of insurance** and disclosed by **you** at the time of entering into the **policy**;
- c) any new **subsidiary** acquired by **you** during the **period of insurance** through consolidation, merger or purchase of its assets or in respect of which **you** assume effective control during the **period of insurance** provided:
 - i. such company, organisation or entity is carrying on substantially the same **operations** as **yours**;
 - ii. such acquisition or assumption of control increasing **your** assets under management by more than 20% is reported to **us** within 90 days after it is effected;
 - iii. **we** confirm continuation of cover for such new **subsidiary** by **endorsement** of this **policy**; and
 - iv. **you** agree to pay the additional premium **we** require for the additional risk of the new **subsidiary**; and
- d) others as outlined in specific Sections of the **policy**.

General Exclusions applicable to all Sections of the policy

The following General Exclusions apply to all Sections of this *policy*. Further Exclusions appear in some Sections and should be read in conjunction with these General Exclusions.

We do not cover any death, injury, illness, loss, **damage**, cost, expense or liability directly or indirectly caused by or contributed to by or resulting from or arising out of or in connection with:

1. Act of Terrorism

We will not cover any loss or liability arising directly or indirectly from or based upon or attributable to or in consequence of any **act of terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, or any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to an **act of terrorism**.

2. Computer

- a) **Computer crime** (as described in General Definitions); and
- b) **Cyber-attack** (as described in General Definitions).

3. Fraud and dishonesty

Any dishonest, fraudulent, reckless, criminal or malicious act or omission by **you** or by any **official, employee or volunteer of yours** with **your** consent and any deliberate breach of any statute or regulation by **you** or by any office bearer, **official, employee or volunteer of yours** with **your** consent.

This Exclusion does not apply to the cover provided to **you** under:

- a) Management Liability Automatic Extension Employee Fidelity and Automatic Extension Third Party Fidelity; and
- b) Professional Indemnity Automatic Extension Dishonesty of Employees.

For the purposes of this Exclusion **you, your, yours** means **you, your, yours**, each as defined in the applicable Part or Section.

4. Nuclear

- a) Ionising radiations or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel.
For the purposes of this Exclusion only, **combustion** shall include any self-sustaining process of nuclear fission.
- b) Nuclear weapons materials.

This Exclusion shall not apply to liability arising from radio-isotopes, radium or radium compounds when used away from the place where they are made or produced when used exclusively incidental to normal industrial, educational, medical or research pursuits.

5. War, confiscation

- a) War, civil war, invasion, act of foreign enemy, hostilities (whether war be declared or not), rebellion, revolution, insurrection, military or usurped power; or
- b) Confiscation, lawful seizure, nationalisation, requisition of, or **damage** to, property by or under the order of any government or public or local authority (other than **damage** caused in the process of preventing or diminishing imminent **damage** covered by this *policy* to any **insured property**).

6. Communicable Disease

- a) any highly pathogenic avian or animal influenza in humans;
- b) Cholera;
- c) Rabies;
- d) any pandemic or epidemic as declared by the World Health Organization; or
- e) any disease determined to be a 'listed human disease' under the Biosecurity Act 2015 (Cth) as amended from time to time or any disease that is determined, listed or otherwise specified in an equivalent manner under any legislation that either replaces the Biosecurity Act 2015 or has an equivalent object or objects.

Unless specifically shown in the *certificate of insurance*, this *policy* also does not cover:

7. Consequential loss

Loss of use, loss of earning capacity and any other consequential loss.

8. Electronic data

Loss of or damage to **electronic data** or the cost of restoring records as a result of loss of or damage to **electronic data**.

9. Legal liability

Personal liability of any individual and **your** legal liability to any **third party**.

10. Sanctions regulation

Notwithstanding any other terms or conditions under this *policy*, *we* shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to *you* or any other party to the extent that such cover, payment, service, benefit and/or any business or activity *you* undertake, which would violate any applicable trade or economic sanctions, law or regulation.

General Conditions applicable to all Sections of the policy

The following General Conditions apply to all Sections of this *policy*. Specific conditions appear in some Sections and should be read in conjunction with these General Conditions.

Additional parties

We agree that where this *policy* insures more than one party, any failure on the part of any of the parties to:

- a) comply with the duty of disclosure under Section 21 of the Insurance Contracts Act 1984, which is set out in the Product Disclosure Statement;
- b) comply with any obligation under this *policy* (other than the obligation to pay premium); or
- c) refrain from conduct which is dishonest, fraudulent, criminal or malicious,

shall not prejudice the right of the remaining party or parties to indemnity under this *policy*, provided that such remaining party or parties shall:

- a) be entirely innocent of and have had no prior knowledge of any such failure; and
- b) as soon as practicable after becoming aware of any such failure, advise *us* in writing of all its relevant circumstances.

Where this *policy* insures more than one party, it shall apply to each party in the same manner as if a separate policy had been issued to each of them, provided that, in so doing, *our limit of liability* or the sum insured shown in the *certificate of insurance* in respect of any one event or *claim* (and any *aggregate limit of liability* that may be applicable) for the *period of insurance* shall not be increased.

We agree to waive all rights of subrogation or action which *we* may be entitled to against any party to whom cover under this *policy* extends.

Advancement of defence costs

We agree that in relation to any *claim* for which indemnity may be available under a section providing liability insurance in this *policy*:

- a) where indemnity has been confirmed in writing by *us*, based on our assessment of the claim or the findings from an independent review *we* may reasonably require, *we* will meet the *defence costs* as they are incurred;
- b) where indemnity has been confirmed after taking into consideration your interest and preference *we* retain the right to take over and conduct the defence and settlement of the *claim*;
- c) where *we* have not confirmed indemnity and *we* elect not to take over and conduct the defence or settlement of any *claim*, *we* may at *our* discretion *pay defence* costs to which *we* have consented as they are incurred.

Provided always that advancement of *defence costs* is at *our* discretion after taking into consideration your interest and preference, and

- a) in the event that the *claim* is withdrawn or that indemnity under this *policy* is subsequently withdrawn or denied, *we* shall cease to advance *defence costs*; and
- b) excepting where *we* have consented to pay *defence costs* under clause (c) above, *we* reserve the right to recover any *defence costs* paid under this Extension from *you* or the *insured person* severally according to the respective interests, in the event and to the extent that it is subsequently established by judgment or other final adjudication, that there was no entitlement to indemnity under this *policy*.

Allocation of costs

If a *claim* or *loss* is covered only partly by the *policy*, and the parties are unable to agree upon an allocation between *insured* and uninsured portions, the allocation shall be referred for determination to a *senior counsel* (to be agreed upon or in default of agreement to be nominated by the Chair or President of the local Bar Council) whose determination shall be binding upon the parties and whose fee shall for the purpose of the *policy* be regarded as part of the *defence costs*. The allocation shall apply also to payments made before the determination.

Authorisation clause

By acceptance of this *policy* on behalf of *you* and *your officials* and other persons or entities insured by this *policy*, *you* agree to act on their behalf with respect to the giving and receiving of any notice of cancellation, the payment of premiums, the receiving of any return premiums that may become due and the acceptance of *endorsements* or other notices provided for; and *you* warrant that these individuals and entities have authorised *you* to act on their behalf.

Automatic reinstatement of *limit of liability* or sum insured

After **we** have admitted liability for loss, damage or liability which has resulted in a **claim** under one or more sections of this **policy**, the **limit of liability** or sum insured will be reinstated automatically to the amount shown in the **certificate of insurance** for the relevant section,

Provided that:

1. this General condition does not apply to the cover provided under:
 - a) General Public and Products Liability Section, for legal liability arising out of **your products**; or
 - b) Part C: Organisation Liability and any other Section of this **policy** where the **limit of liability** or sum insured is limited in the aggregate for all **claims** in any one **period of insurance**; and
2. **you** maintain and safeguard the **location(s)** and their **contents** (as defined in Property Insurance Section) at all times.

In consideration of this reinstatement, **you** must pay any additional premium **we** may require.

Cancellation

You may cancel this **policy** at any time by notifying **us** in writing. If **you** pay **your** premium by monthly instalments **you** will be required to pay **us** any unpaid instalments that are due up to the date of the **policy** cancellation.

We may cancel this **policy** in accordance with the Insurance Contracts Act 1984.

In the event of cancellation, **we** will be entitled to retain premium for the period during which this **policy** has been in force. **We** may also retain any government taxes, duties or levies **we** cannot recover.

If **you** have made a **claim** under this **policy** and **we** have paid or agreed to pay the full **limit of liability** applicable to the **period of insurance** for any cover under a Section of this **policy**, no return of premium will be payable for any unused portion of the **period of insurance** for that cover.

Changes

You must tell **us** as soon as reasonably practicable of you becoming aware of any significant or material changes in the risk insured under this **policy**, including any changes to **your operations** which affect the risk of loss, damage or injury.

We will advise **you** in writing if **we** agree to accept the change based on our business guidelines and you must agree to pay any additional premium **we** may require.

Claims preparation costs

We will pay for costs necessarily and reasonably incurred for the preparation of a **claim** for which **we** agree to indemnify **you** under this **policy**. The most **we** will pay is \$35,000 in total any one **claim**, unless a higher amount is included in the particular Section of the policy

This benefit does not apply to Management Liability Automatic Extension Tax Audit.

Credit provider's rights

If a credit provider has an interest in any of **your insured property**, **we** may make a payment direct to the credit provider instead of to **you** in settlement of any **claim**.

Excess

The **excess** payable by **you** in respect of each and every **claim** under each section of this **policy** is shown in the **certificate of insurance** and will be deducted from **your** loss before applying any **limit of liability** or sum insured under this **policy**.

Other than in respect of **claims** arising as a result of **damage** by earthquake, if **you** suffer loss or damage which leads to a **claim** under more than one Section of this **policy**, only one **excess** is payable and this will be the highest applicable **excess**.

In respect of **claims** resulting from **damage** by earthquake, subterranean fire or volcanic eruption, the **excess** **you** must pay for **claims** under Part A: Property and Income Protection is the lesser of \$20,000 or 1% of the **total declared values** shown in the **certificate of insurance** for the **insured property** at the **location(s)** where the **damage** occurred. All **damage** to **insured property** occurring within a period of 72 hours of the earthquake, subterranean fire or volcanic eruption is regarded as resulting from one event.

For cover provided for Part B: General Liability and Part C: Organisation Liability, the **excess** applies to any amount expended by **us** for **defence costs**.

Goods and Services Tax

The declared values for this insurance shall exclude the amount of the Goods and Services Tax (GST), but GST will be added to the premium charged for this **policy**.

You must inform **us** of the extent to which **you** are entitled to an Input Tax Credit (ITC) for the premium each time that a **claim** is made under this **policy**. No payment will be made to **you** for any GST liability that **you** may acquire on the settlement of a **claim** if **you** have not informed **us**

of **your** entitlement or correct entitlement to an ITC.

Notwithstanding anything contained in this **policy**, **our** liability in respect of a **claim** under this **policy** will be calculated taking into account:

- a) any Input Tax Credit (ITC) to which **you** are entitled for any acquisition relevant to a **claim**, or to which **you** would have been entitled if **you** were to have made the relevant acquisition; and
- b) for **claims** under Part B: General Liability, the GST exclusive amount of any supply made by **you** which is relevant to **your claim**.

If the **limit of liability**, sub limit of liability or sum insured is not sufficient to cover **your** loss, **we** will only pay GST (less any relevant ITC) that relates to **our** proportion of **your** loss. **We** will pay the GST amount in addition to the **limit of liability**, sub limit of liability or any sum insured.

For the purposes of this General condition, 'GST', 'ITC', 'acquisition' and 'supply' have the meaning given in the A New Tax System (Goods and Services Tax) Act 1999.

Headings

In this **policy**, unless the context otherwise requires, headings are merely descriptive and not to aid interpretation.

Governing law and jurisdiction

This insurance **policy** shall be governed by and construed in accordance with the laws of the Commonwealth of Australia and the State or Territory where the **policy** was issued. Any disputes shall be exclusively subject to determination by the courts of the Commonwealth of Australia.

Limit of liability

The cover **we** provide under each Section of this **policy** in respect of a **claim** shall not exceed the **limit of liability** or sum insured applicable to the Section or any relevant sub limit of liability shown in the Section or shown in the **certificate of insurance**.

Our total liability during any one **period of insurance** for all **claims** arising out of the cover provided under:

- a) General Public and Products Liability Section for legal liability arising out of **your products**;
- b) Part C: Organisation Liability and any other Section or Part of this **policy** where the limit of liability, sum insured or sub limit of liability is limited in total in the **period of insurance**;

shall not exceed the applicable **aggregate limit of liability**, sum insured or sub limit of liability shown in the relevant Section or Part of the **policy** or in the **certificate of insurance**.

Monthly instalments

You may pay **your** premium by monthly instalments direct from a financial institution. **You** should note that this may incur an additional cost. However, if any monthly instalment is dishonoured by **your** financial institution this **policy** may not operate. **We** may refuse to pay a **claim** in whole or in part if, at the date of a loss or **claim**, any monthly instalment has remained unpaid for at least 14 days, unless **we** have agreed otherwise in writing.

If **you** have a total loss or **we** settle **your claim** by paying the full **limit of liability** or total sum insured under any Section of this **policy**, **we** will deduct outstanding instalments for that Section from the amount **we** pay **you**.

Should the financial institution holding **your** account return or dishonour a direct debit payment due to lack of funds in **your** account, **we** will charge **you** for any direct or indirect costs which **we** incur arising from the payment being returned or dishonoured.

Notices

Any provision of the **policy** requiring notices and communications to be given in writing shall be deemed to be complied with if delivered to the recipient electronically.

Payment of rewards

In addition to the amount of cover provided in this **policy**, **we** will pay up to \$5,000 for the reimbursement of any public reward expense paid by **you** to recover **your insured property** or to identify the offenders responsible for its **damage**.

The terms of the reward must be agreed by **us** and approved by the relevant Authority before being offered; and **our** payment will not exceed the value of the property lost destroyed or **damaged**.

We agree not to unreasonably withhold consent to the terms or the amount of any reward payable under this **policy** provision nor does **our** offer to pay such reward in any way limit the amount of any reward **you** may wish to offer for **your** own account.

Precautions by insured

You are required to take reasonable and practicable:

- a) precautions to prevent loss or damage to **insured property**;

- b) measures to ensure that your **location(s)**, not being used or occupied for extended periods of time, are maintained in a reasonable condition of upkeep;
- c) precautions to prevent loss, damage or injury to third parties;
- d) measures to comply with all statutory obligations, regulations and safety requirements imposed by any authority;
- e) actions at **your** own expense to trace, recall or modify any of **your products** containing any defect or efficiency of which **you** have knowledge or have reason to suspect, including any such **products** subject to government or statutory ban; and
- f) measures to minimise any interruption of or interference with the carrying out of your **operations** to avoid or diminish any loss.

Service of legal process

You may effect service of any legal process on **us** in connection with this **policy** by delivering that process by hand or by post to the address for service stated in the **certificate of insurance** and such service shall be deemed to be personal service upon **us**.

Spouse, estate and legal representatives

This **policy** will provide cover for the lawful **spouse**, estate, heirs, legal representatives or legal assigns of any natural person insured under this **policy** in the event of their death or legal incapacity, to the extent to which such person would have been entitled to indemnity under this **policy** had such death or legal incapacity not occurred and provided always that such **spouse**, successors, representatives or assignees shall observe and be subject to all the terms of this **policy** so far as they can apply.

Third party interests

You cannot transfer interests in this **policy** without **our** written consent.

All persons entitled to any benefit under this **policy** are bound by the terms of this **policy**.

Except where we state otherwise in this **policy**, **we** insure only those interests **you** notify to **us** when **we** issue cover or which are notified to **us** during the currency of this **policy** and which **we** agree to insure.

Unoccupied and/or unused location(s)

Excepting for damage to **insured property** by:

- a) lightning, earthquake, volcanic eruption and subterranean fire; or
- b) impact by any road **vehicle** of their loads, animals trees, or branches, meteorite, **aircraft** or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers or antennae or dishes, falling parts of buildings or structures which do not belong to **you**;

cover under the Sections Property Insurance, Loss of Money, Theft of Insured Property and General Property Insurance of Part A will cease if the **location(s)** becomes unoccupied for a period of more than 100 consecutive days. Cover under Income Protection Section of Part A will provide an indemnity for loss of **income** and such reasonable expenditures certified by **your** accountant in consequence of **damage to insured property** from any excepted peril or circumstance described in clauses a) and b) above. **You** must advise **us** if the **location(s)** becomes unoccupied for a longer period and, if **we** will continue to insure **you**, **we** will confirm to **you** in writing the terms, conditions and coverage available.

Unoccupied means left vacant whether furniture or other contents remain or not.

Waiver of rights

If **you** have agreed not to seek **compensation** from another person who is liable to compensate **you** for any loss, damage or liability which would have been covered by this **policy**, **we** will not cover **you** under this **policy** for that loss, damage or liability other than to the extent provided under any Section of this **policy** or agreed by **us** in writing.

Claim Conditions applicable to all Sections of the policy

The following Claims Conditions apply to all sections of this **policy**. Further conditions appear in some sections of this **policy** and should be read in conjunction with these Claim Conditions.

Your responsibility when making a claim

NOTE: Subject to Section 54 of the Insurance Contracts Act 1984, failure to forward to **us** any writ or summons served upon **you** within the time stipulated may result in **us** refusing to indemnify **you**

1. As soon as reasonably practicable after becoming aware of any occurrence, accident or event that may give rise to a **claim** against **you** or **us**, **you** or **your** legal representative must:
 - a) advise details to **us**, and then send written confirmation within thirty (30) days or for a longer period subject to our consent, which

shall not be unreasonably withheld;

- b) take all reasonable steps to minimise the loss, **damage** or liability or to prevent any further loss, **damage** or liability;
 - c) use **your** reasonable endeavours to preserve any **damaged** or defective appliances, plant or things that may be necessary or useful by way of evidence in connection with any **claim** and, so far as reasonable possible, with due regard for safety, no alteration or repair shall be made without **our** consent. Such consent shall not be unreasonably withheld;
 - d) where reasonably practicable retain all **damaged** property for inspection by **us**;
 - e) advise the nearest police station in the case of property lost, stolen or vandalised, and obtain a written police report if requested by **us**;
 - f) advise **us** of any impending prosecution or inquest;
 - g) forward to **us** every communication, writ or summons within a reasonable period of receipt by **you** or service upon **you**.
2. Where a **claim** arises, **you** must not authorise repairs to, or arrange replacement of, any of the property relevant to the **claim** without **our** consent other than as provided for under 1c) above. Such consent shall not be unreasonably withheld.
 3. Subject to the provisions of the Insurance Contracts Act 1984, **you**, or any party or person making a **claim** under this **policy**, must not make any admission of liability or payment or promise or offer of payment in connection with any such **claim**, without **our** written consent. Such consent shall not be unreasonably withheld.
 4. At **your** own expense, **you** will furnish **us** with such books of account and other **business** books, computer records, vouchers, invoices, balance sheets, and other documents, proofs, information, explanations and other evidence together with a statutory declaration as **we** may reasonably require for the purpose of investigating or verifying a **claim** under this **policy** and **you** and **your** accountants must provide reasonable cooperation in this regard.
 5. **You**, or any other person entitled to **claim** under this **policy**, must furnish **us** with a statement giving details of other insurances that may also provide cover on any property or liability hereby insured.
 6. If **we** agree to indemnify **you** under any section of this **policy** in respect of a **claim**, **we** will make progress payments to **you** on account of that **claim** at such intervals and for such amounts as may be mutually agreed.
 7. **We** may appoint a loss adjuster or investigator to make enquiries and render assistance to **you** on **our** behalf in the conduct of **your claim**. **You** must provide reasonable cooperation with any such appointee.

Conduct of claims

When **you** make a **claim** for indemnity against Part B: General Liability or Part C: Organisation Liability, **we** shall, after taking into consideration **your** interest and preference, have the right to conduct **your** defence, instruct lawyers to provide advice as to **your** liability and represent **you**.

Letters of demand, other proceedings

You must as soon as reasonably practicable:

- a) forward to **us** every letter of demand, writ, summons, or legal process of any description upon receipt or service thereof; and
- b) inform **us** in writing of any prosecution, inquest or fatal accident inquiry of which **you** are given notice.

You are required at **your** expense:

- a) to take all reasonable steps to prevent or minimise any **personal injury, property damage**, loss arising from carrying out **your** professional duty or duty as an **official** or other loss and to prevent further **claims** arising out of the same or similar conditions;
- b) to use **your** reasonable endeavours to preserve any **products**, appliances, plants, files, notes, memoranda, or other documents or things which might prove necessary or useful by way of evidence in any way connected with any **claim**; and
- c) so far as may be reasonably practicable, with due regard to safety and **your** responsibilities under sub-clause a) above, **you** must not permit any other alteration or repair to any building, fencing, machinery, furnishings, fittings, appliances or plant without **our** consent. Such consent shall not be unreasonably withheld.

For **liability claims**, in the event of a dispute between **us** and **you**, or between **us** and any **official** about whether legal proceedings should be contested, a **senior counsel** (mutually agreed upon by **us** and **you** or the **official** or, in default of such agreement, selected by the chairman or president of the local Bar Council) will be retained to advise on whether such proceedings should be contested. In formulating such advice, **senior counsel** shall take into consideration the damages and costs which are likely to be recovered by the plaintiff, the likely **defence costs** and the prospects of **you** or the **official** successfully defending the action.

The costs of such **senior counsel's** opinion shall, for the purpose of this section, be regarded as part of the **defence costs**. In the event that counsel advises that, having regard to all the circumstances, the matter should not be contested but settled within certain limits which, in **senior counsel's** opinion, are reasonable, then **you** or the **official** shall co-operate with **us** to effect such settlement in accordance with this **policy**. Any such settlement by **us** shall constitute a full and final discharge of **our** liability under the **policy** in relation to the matter.

If **you** refuse to consent to any settlement recommended by **us** and elect to contest or continue any legal proceedings in connection therewith, **our** liability for the **claim** shall not exceed the amount for which the **claim** could have been settled, less the applicable **excess**, plus **defence costs** incurred with **our** prior consent up to the date of such refusal. **Our** prior consent shall not be unreasonably withheld.

Allocation of Subrogation Proceeds

Notwithstanding Section 67 of the Insurance Contracts Act (Cth), monies recovered in subrogation proceedings will be applied, net of the expense of such recovery:

- a) first to **you** to the extent of **your** uninsured loss in respect of a **claim** paid under a Section of this **policy**, (other than the amount of any **excess** applicable);
- b) secondly to **us** in reimbursement of the amount paid to **you** in respect of that **claim** under that Section; and
- c) thirdly to **you** in satisfaction of any **excess** applicable.

Any other monies remaining after these allocations will be **your** property.

Nothing in this Condition shall prevent **you** and **us** entering into a 'Subrogation Agreement' following a loss agreeing to a different basis of sharing **defence costs** and the allocation of monies recovered

Fraudulent claims

As a protection for all insurance policyholders, **we** will take legal action against any person who makes a fraudulent **claim**.

Part A: Property and Income Protection

Property Protection Section

This section only forms part of *your policy* when Property Protection Section is shown in *your certificate of insurance*

Specific Definitions applicable to Property Protection Section

In addition to the words or phrases shown as General Definitions, whenever the following words appear in bold italics in this section, they have the meaning shown below. If there is a General Definition for the same word or phrase, the following specific definition will prevail in this section.

breakage means a fracture extending through the entire thickness of **glass**.

buildings means all buildings at the **location(s)** owned by **you** or for which **you** are responsible including outbuildings, permanent structures and structural additions forming part of the building complex, overground and underground services, piers, pontoons or boat ramps walls, gates, fences, flag poles, floodlights, retaining walls, paved pathways and driveways and permanent fixtures including but not limited to:

- a) fixed heating, air-conditioning installations, light fittings and public address systems;
- b) outdoor fixtures and equipment;
- c) textile awnings, shades, shade sails, blinds, signs;
- d) landlords' fixtures and fittings of every kind and description, including fixed carpets and fixed floor coverings;
- e) built-in cupboards, and other furniture; and
- f) external **glass**.

contents means fixtures, furnishings, equipment, tenants' improvements and all other property of a portable nature at the **location(s)** which are owned by **you** or for which **you** are responsible and which are used in **your operations**. It also includes external **glass** not owned by **you** but for which **you** are responsible under a lease agreement for the cost of replacement in the event of **breakage**.

debris means:

- a) the residue of **damaged insured property** and other property of every description (other than landlord's property if not **insured property** by this **policy**);
- b) liquids and/or chemicals and/or materials used in the extinguishment or suppression of **damage** or in preventing imminent **damage** to **insured property**;

remaining at or in the vicinity of the **location(s)** following actual or threatened **damage** to **insured property** by a peril or event covered by this **policy**.

declared value means the value of **insured property** at each **location** declared by **you** as representing the **replacement value** of the property covered by this Section on the day of the commencement of the **period of insurance** or the **indemnity value** where the **certificate of insurance** shows that cover option has been selected by **you**, and shall not include any allowance for Extra Costs of Reinstatement, Fees and Costs and Removal of Debris.

insured property means all **buildings, contents** which are owned by **you** or for which **you** are responsible or have assumed responsibility to insure prior to the occurrence of any **damage**, at the **location(s)** shown in the **certificate of insurance**.

limit of liability means the amount shown in the **certificate of insurance** which is the maximum amount **we** will pay for any one **claim** under this Section unless **we** state otherwise elsewhere in this Section and includes the **declared values**, Extra Costs of Reinstatement, Fees and Costs and Removal of Debris for each **location**.

total declared values means the value of **your insured property** you declare in **your** application for insurance.

What is covered

We will cover **you** for accidental **damage** to **your insured property** at the **location(s)** during the **period of insurance** which is not otherwise excluded.

What damage is not covered

In addition to the General Exclusions applicable to all Sections of the **policy**, **we** will not pay for **damage** caused directly by or arising from:

1. movement of structures
 - a) erosion, subsidence, landslide, rockslide or mudslide other than as a direct result of storm, explosion, earthquake subterranean fire, volcanic eruption or seismological disturbance or escaping liquid which occurs within 72 hours after the event;
 - b) vibration, heaving or creeping;
 - c) normal settling, seepage, shrinkage, expansion and gradually developing flaws in buildings, foundations, footings, walls, pavements, roads and other structural improvements.
2. incorrect building construction.

3. action of the sea or high water other than as a result of a tsunami or **storm surge**.
4. faulty work, faulty design
 - a) faulty materials or faulty workmanship;
 - b) faulty design or failure of design;
 - c) structural defect;

provided that these exclusions shall not apply to subsequent damage caused by a peril not otherwise excluded.
5. tenants and other occupants

intentional or malicious damage or theft by **your** tenants or other occupants of **your buildings** (as defined by this Section), undertaken with your knowledge or consent.
6. machinery, electronic equipment, boilers and pressure vessels
 - a) electrical or electronic breakdown, mechanical or hydraulic breakdown, or fusion of machines, except as provided by Further Extension Fusion of Electric Motors;
 - b) explosion or implosion of boilers, compressors, air receivers and other pressure vessels requiring certification provided always that **we** will provide cover for damage to other **insured property** covered by this Section where such damage results from such explosion or implosion.
7. natural conditions and gradually operating causes
 - a) inherent vice or latent defect;
 - b) disease;
 - c) scratching, denting, chipping, marring or fading;
 - d) change in flavour, colour, texture or finish;
 - e) evaporation or loss of weight;
 - f) moths, termites, insects, rodents or vermin;
 - g) birds or wildlife;
 - h) corrosion, rust or oxidation;
 - i) mould, mildew, algae, steam or condensation, dampness of atmosphere, variation in temperature or variation in controlled atmosphere;
 - j) property undergoing cleaning, repair, restoration, application of heat, spontaneous combustion or spontaneous fermentation;
 - k) any failure in normal upkeep or to make good;
 - l) wear and tear and other gradually operating causes, except as provided by Property Protection Section Further Extension Fusion of Electric Motors;

provided that this Exclusion shall not apply:

 - a) where the damage arises directly from a peril or event covered by the **policy**; or
 - b) to subsequent damage to the **insured property**, otherwise covered under this **policy** notwithstanding that this damage is caused by any of the circumstances referred to in this Exclusion.
8. **pollutants**, pollution, industrial fallout, or disease or contamination, other than where the contamination is caused by sudden and unexpected damage by fire, lightning, explosion, impact by **aircraft** or other aerial devices or articles dropped from them, riot, civil commotions, persons taking part in an industrial dispute, persons acting maliciously, earthquake, storm, the bursting, overflowing and discharging of water tanks, apparatus or pipes, sprinkler leakage or impact by any road **vehicle** or animal.
9. cessation of work or **your operations** whether total or partial as a result of strikes, labour disturbances or locked out workers.
10. kidnapping, threat, hoax or extortion or the attempt thereof but not **damage** to **insured property** otherwise covered under this **policy** (and not otherwise excluded).
11. hydrostatic pressure to swimming pools or similar structures.
12. unexplained disappearance of **insured property** or unexplained inventory shortage whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to **you** or otherwise.
13. wind, water, hail, snow, sleet, to **buildings** undergoing construction or reconstruction or their **contents** unless the **buildings** are enclosed and under a roof with all doors and windows permanently in place.
14. **your** failure to repair or prevent bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks or pipes used to hold or carry liquid within a reasonable amount of time of discovering such occurrence.
15. theft, other than physical **damage** to property at the premises during theft or any attempted theft, and/or theft of parts of the **building** or fixed plant in the open air when insured under this Property Protection Section.

16. any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a computer system; or any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any electronic data, including any amount pertaining to the value of such data. Provided that this exclusion shall not apply where such physical loss is caused by any perils, not otherwise excluded under this Section.

What property is not covered

In addition to the General Exclusions applicable to all Sections of the *policy*, the following property is not covered under this Section unless specifically shown as included in the *certificate of insurance*:

1. property which can be insured under another section of this *policy* whether those sections are taken by *you* or not.
2. locomotive or rolling stock, including their accessories and/or spare parts.
3. *aircraft, watercraft or vehicles* including their accessories and/or spare parts.
4. livestock, animals, birds or fish (other than birds and fish for decorative purposes owned by *you* and insured as contents).
5. land, *landscaping* (other than as provided under Extension Damage to External Fixtures and Fittings including Landscaping), growing crops, pastures or standing timber. However:
 - a) when reinstating *damage* to a *building, landscaping*, is not excluded property; and
 - b) potted plants and indoor gardens are not excluded property when insured as *contents*.
6. bridges, roadways and tunnels excepting where these are insured as *buildings* at the location, railway tracks, dams, reservoirs (other than tanks) and their contents.
7. docks and wharves.
8. mining property and equipment located beneath the surface of the ground.
9. property undergoing demolition.
10. property outside the *geographic limits*.
11. residential buildings and contents for *your* own personal use and not utilised in the *operations*.
12. property of *children* that is otherwise insured.
13. additions or alterations to *buildings* where the value of all works will exceed 20% of the declared value for each specific *building* at the *location(s)* as stated in the *certificate of insurance* or \$500,000 whichever is the lesser.
14. *money*.
15. jewellery, furs, bullion, precious metals or precious stones valued at over \$5,000 any one item, set or collection, unless a higher amount is shown on the *certificate of insurance*.

How much we will pay

We will not pay more for any *claim* under this section than the *limit of liability* excepting where provided as an Extension in this Section. However *we* will not pay more than to the *limit of liability* for any Extension of cover than the amount stated in the Section unless another amount is shown in the *certificate of insurance*.

Where *your certificate of insurance* states that *your insured property* under this Section is covered for *indemnity value we* may at *our* option, after taking into consideration your interest and preference pay *you*:

- a) the value of the *property* at the time of its destruction; or
- b) the amount of the *damage*; or
- c) the cost to reinstate or repair the *damaged property* to the same (not better) condition existing at the time when the *damage* occurred; or
- d) reinstate or replace the *damaged property*;

whichever is less.

With the exception of Extension Catastrophe Escalation Cost *we* will pay any such costs and expenses incurred by *you* that are itemised under Extensions and Further Extensions and necessarily and reasonably incurred by *you* arising from the *damage*.

However *we* will not pay more in total any one event including the Extensions and Further Extensions than the lesser of the *Indemnity Value* of the *insured property* or the *limit of liability* stated in the *certificate of insurance*.

Basis of settlement – what we will pay

Following accidental damage to *property* covered by this Section:

We will pay for:	We will not pay:
<p>1. Rebuilding, replacement or repair</p> <p>a) the cost to dismantle, demolish and rebuild, replace or repair any damaged insured property to the same condition as when it was new.</p> <p>You can rebuild a building or replace the damaged insured property on another site and in a manner suitable to you.</p> <p>You must commence to rebuild, replace or repair within a reasonable time of the loss or damage after we give consent. If you do not, we will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement had been commenced and carried out with reasonable dispatch.</p>	<p>a) for any additional costs in rebuilding at another site;</p> <p>b) if you unreasonably delay in commencing and completing rebuilding, replacing or repairing the damaged insured property, more than the cost that would have been incurred if you had not caused such delay;</p> <p>c) in respect of items of insured property that have fallen into disuse by you or are no longer manufactured, more than the indemnity value;</p> <p>d) in respect of insured property which is awaiting demolition, more than the salvage value of the building materials and/or the landlords' fixtures and fittings, after the deduction of any saved demolition costs;</p> <p>e) in respect of items of insured property that form part of a pair or set, more than the value of the part of the pair or set which is damaged, even if it cannot be replaced with a matching item. The value of each item will be regarded as spread proportionately over the whole of the value of the pair or set.</p>
<p>2. Extra costs of reinstatement</p> <p>a) extra costs of reinstatement incurred by you (including any required demolition or dismantling of the insured property to comply with the requirements of any Act of Parliament or regulation or by-law of any municipal or other statutory authority imposed after the damage, including orders in relation to undamaged portions of the building or premises at the location).</p>	<p>a) any extra costs of reinstatement if you were required to and did not comply with any Act of Parliament or regulation or by-law of any municipal or other statutory authority (including demolition or dismantling of the insured property) prior to the damage to insured property occurring;</p> <p>b) more than 20% of the declared value of each specific building at the location(s) where damage occurs or the amount shown in your certificate of insurance.</p>
<p>3. Fees and costs</p> <p>a) the cost of but not limited to local authority permit and approval charges, architects, surveyors, consulting engineers, legal and other professionals' fees including those involving inquiries; necessarily and reasonably incurred in the repair or reinstatement of damaged insured property.</p>	<p>a) for costs, fees and salaries incurred by you in preparing a claim under this Section.</p>
<p>4. Removal of debris</p> <p>a) the cost to remove, store and/or dispose of debris;</p> <p>b) the cost to demolish, dismantle, shore up, prop up, underpin or carry out other temporary repairs;</p> <p>c) the cost to clean up the location and any other location where you are legally required to remove debris from or clean up, provided you do not own property there and your liability does not arise from an agreement made after the commencement of the period of insurance unless you were otherwise liable at law for these costs.</p>	<p>a) more than 20% of the total declared values for the insured property at the location(s) or \$500,000, whichever is the lesser, unless a different percentage or amount is shown in the certificate of insurance for this Extension for any one event.</p>
<p>5. Buildings of architectural or historic interest</p> <p>a) the cost to rebuild, replace or repair any damaged buildings containing architectural features and/or structural materials possessing an ornamental, historical or other distinctive character in accordance with the original design and materials to comply with the standards imposed by any lawful heritage protection authority if the building is heritage listed.</p>	<p>a) more than the cost necessary to rebuild, replace or repair any such heritage listed building to a reasonably equivalent appearance and capacity using original design and suitable modern equivalent materials if the original materials are not available.</p>

<p>6. Collections, trophies, curios, works of art, pictures, antiques</p> <p>a) where the damaged item is repairable, the cost of repair or restoration to a condition substantially the same as its condition prior to the occurrence of the damage;</p> <p>b) where the insured property is physically lost or destroyed and can be replaced, the cost of replacement;</p> <p>c) where the insured property is physically lost or destroyed and cannot be replaced, the higher of the market value immediately prior to the occurrence of the damage or loss and the value as evidenced by a recent valuation.</p>	<p>a) more than the market value of such insured property immediately prior to the occurrence of the damage; or</p> <p>b) if you provide written evidence of a professional valuation not older than 3 years at the date of damage, the amount of that valuation; or</p> <p>c) more than \$5,000 any one item, set or collection, or the amount shown in your certificate of insurance for such insured property.</p>
<p>7. Expediting expenses</p> <p>a) the costs and expenses incurred by you for express carriage rates and extra payments for overtime or out of hours work incurred in connection with the repair or reinstatement of the insured property that is damaged.</p>	<p>a) more than 50% of the cost of repairing the item or \$25,000 whichever is the lesser.</p>
<p>8. Output replacement</p> <p>a) for any insured property which has a measurable function, capability or output and it is necessary to replace the item or items with new property to perform a similar function or functions, we will pay your claim as follows:</p> <p>i. if insured property is to be replaced by an item which has the same or lesser total function, capability or output, the amount we will pay is the new installed cost of such replacement item or items;</p> <p>ii. if insured property is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is no greater than the cost of replacement of the damaged insured property we will pay the new installed costs of the item or items replaced; or</p> <p>iii. if insured property is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is greater than the replacement cost of the damaged item the amount we will pay is the lesser of the cost of replacement or that proportion of the new installed cost of the replacement item or items which the output of the damaged insured property bears to the output of the replacement item or items.</p>	<p>a) more than the limit of liability including these costs and expenses.</p>
<p>9. Playing surfaces</p> <p>a) the cost of repairing damage to outdoor playing surfaces including protective ground coverings underneath play equipment at the location caused by:</p> <p>i. vandals or malicious persons, other than you or your guests, director's partners, officials, employees or members, or their guests;</p> <p>ii. an event covered by this Section for which we have admitted liability under this Section; or</p> <p>iii. the action of the firefighting services, police or other emergency services in attending to their duties at the location.</p>	<p>a) more than \$50,000 or the amount shown in the current certificate of insurance.</p>
<p>10. Removal of trees and branches</p> <p>a) the reasonable costs incurred by you to remove and dispose of any branch or tree that has fallen causing impact damage to insured property. We will also pay the cost of stump removal when required.</p>	<p>a) more than the limit of liability including these costs.</p>

<p>11. Taking inventory</p> <p>a) the cost and expenses of taking inventory including unpacking, repacking and restacking not otherwise insured, to identify, quantify and value any damaged insured property including examination of property not belonging to you but in your care, custody or control.</p>	<p>a) more than the actual costs necessarily and reasonably incurred by you;</p> <p>b) more than the limit of liability including these costs and expenses.</p>
<p>12. Undamaged portions of buildings</p> <p>a) where a building that is damaged has to be rebuilt at another site than the location because the requirements of any lawful authority prevent the rebuilding or replacement of the building at the location, then the abandoned undamaged portion of the building including the foundations and services will be deemed to be destroyed.</p>	<p>a) more than the limit of liability applicable to the insured property at the location less any increased sale value of the original site due to the presence of the undamaged portion of the building which shall be regarded as salvage payable to us on the sale of the site or deducted from the amount of our claim payment.</p> <p>Should the site not be sold, then the increased site value, if applicable, shall be agreed between us, or if in default as to the amount, will be referred to mediation for a resolution with each party sharing the costs of mediation.</p>

Extensions

Following an event covered by this Section, **we** will also pay the following costs that directly arise from that event, in addition to the **limit of liability**:

We will pay:	We will not pay:
<p>1. Catastrophe Escalation Cost</p> <p>a) if any of your buildings are destroyed or damaged and cover is not otherwise excluded by this policy, and</p> <p>b) we classify such destruction or damage as a total loss, and</p> <p>c) the event causing the destruction or damage causes any competent authority to declare a state of emergency in the area where your building is situated, we will:</p> <p>a) increase the amount you declared as the value of your buildings and cover for Extra Costs of Reinstatement and Removal of Debris under this Section by up to 20% provided that your building is rebuilt, and</p> <p>b) increase the limits set out in Extension 5 Temporary Protection by 20% to cover any increase in building costs for labour and materials and any other additional costs which may apply after the event.</p> <p>Increase in building costs means the difference between the cost of reinstatement actually incurred in accordance with the basis of settlement provisions of this Section of the policy and the cost of reinstatement that would have applied had the event not occurred.</p>	<p>a) For damage to insured property other than buildings;</p> <p>b) more than the increased building costs which are actually incurred by you;</p> <p>c) any amount under this Extension until you have incurred costs exceeding the limit of liability under this Section;</p> <p>d) more than the amount specified in this Extension for increased cover.</p>
<p>2. Damage to external fixtures and fittings including landscaping</p> <p>a) damage to gates, fences, landscaping, retaining walls, signs, textile awnings, shade sails, shades or blinds as a direct result of wind, water, hail, snow or sleet.</p>	<p>a) more than \$25,000 for any one event or the amount shown in the certificate of insurance.</p>
<p>3. Discharge of mortgage cost</p> <p>The legal costs associated with the discharge of a mortgage or mortgages on buildings following settlement of a claim on a total loss basis.</p>	<p>a) more than \$50,000 any one event.</p>

<p>4. Fire extinguishment costs and sprinkler head replacement and other Authority costs</p> <p>a) the reasonable costs of fighting a fire at <i>your location(s)</i> or a fire which threatens <i>your insured property</i> including the cost of replenishing <i>your</i> firefighting appliances.</p> <p>b) the cost to replace sprinkler heads activated following a loss covered by this Section.</p> <p>c) the additional costs payable by <i>you</i> to a fire brigade or other authorised government authority for attendance at a chemical emergency involving <i>insured property</i>.</p>	<p>a) more than \$100,000 for any one event.</p>
<p>5. Locating the source of a leak</p> <p>a) the reasonable costs necessarily incurred by <i>you</i> with <i>our</i> prior consent in locating the source of a leakage of liquid or gas which has caused or is likely to cause <i>damage to insured property</i> at <i>your location(s)</i> and the cost of reinstating <i>insured property</i> disturbed or <i>damaged</i> in the course of locating such source.</p>	<p>a) for the repair or replacement of any water main, water pipe, gutter, fixed tank, aquarium or fixed domestic apparatus which has failed due to age, wear and tear, general deterioration or requires rectification due to faulty workmanship in installation;</p> <p>b) for <i>damage to insured property</i> due to moisture, seepage, corrosion, rust, rot or mould caused by or resulting from the breakdown of grouting or sealer over a prolonged period of time;</p> <p>c) for <i>damage to insured property</i> arising over a prolonged period of time resulting from failure on <i>your</i> part to properly maintain <i>your</i> property;</p> <p>d) more than \$35,000 for any one event.</p>
<p>6. Metered water</p> <p>a) the additional cost of consumer metered water charges caused by or resulting from an event covered under this Section.</p>	<p>a) for any <i>claim</i> under this Extension if <i>you</i> are covered under Theft Section for such additional costs of metered water charges for which <i>you</i> have claimed an indemnity;</p> <p>b) more than \$15,000 for any one event.</p>
<p>7. Personal effects of officials, employees, children or volunteers</p> <p>a) damage to <i>personal effects</i> belonging to your <i>officials, employees, children</i> or <i>volunteers</i> but only if they are damaged whilst in the buildings at the <i>location(s)</i> or whilst such <i>officials, employees, children</i> or <i>volunteers</i> are engaged in activities for <i>your</i> benefit.</p>	<p>a) more than \$5,000 for the <i>personal effects</i> of one person in any one <i>period of insurance</i>;</p> <p>b) for <i>damage</i> to such <i>personal effects</i> that is insured under another insurance policy except in excess of the <i>total declared values</i> under such policy for such <i>damage</i>;</p> <p>c) more than \$25,000 in the aggregate any one event.</p>
<p>8. Prevention of imminent damage</p> <p>a) up to \$100,000 for necessary costs <i>you</i> incur to extinguish a fire on or in the vicinity of <i>your location(s)</i> which causes or threatens <i>damage to insured property</i> or for necessary costs to prevent or diminish imminent <i>damage to your insured property</i> by any other insured event.</p>	<p>a) any fines, <i>penalties</i> or liability incurred by <i>you</i>;</p> <p>b) any loss or damage to <i>your</i> property.</p>
<p>9. Service pipes, cables, sewers and drains</p> <p>a) the cost of repair to service pipes, cables, sewers and drains including the cost to clear sudden blockages.</p>	<p>a) for normal maintenance costs of service pipes cables, sewers and drains including the cost of clearing sewers of tree root infestation;</p> <p>b) more than \$25,000 for any one event.</p>
<p>10. Temporary protection</p> <p>a) the cost of temporary protection of any <i>damaged insured property</i> and make safe works pending repair or replacement.</p>	<p>a) where the <i>limit of liability</i> is not otherwise exhausted, more than the balance of the unused amount; or</p> <p>b) where the <i>limit of liability</i> is exhausted, more than \$100,000 for any one event;</p> <p>c) for any costs expended in excess of \$5,000 without <i>our</i> prior agreement.</p>

Further Extensions

Under this Section, **we** will also provide the following additional covers subject to the **limit of liability** for the **location(s)** not being exceeded:

We will cover:	We will not pay:
<p>1. Contents temporarily removed</p> <p>a) accidental damage to contents (including any items specified in the certificate of insurance) whilst temporarily removed from your location(s) and situated in another building within the geographic limits.</p>	<p>for damage to such contents:</p> <p>a) caused by wind, water, hail, snow, sleet which occurs whilst they are not contained within a fully enclosed building;</p> <p>b) which occurs whilst they are in transit;</p> <p>c) which have been removed from the location(s) for more than 90 consecutive days at the time they are damaged;</p> <p>d) more than 20% of the declared value of the contents shown in the certificate of insurance for any one event.</p>
<p>2. Exhibitions, festivals and events</p> <p>accidental damage caused by an event not otherwise excluded by this Section to:</p> <p>a) marquees, tents, stalls and similar equipment for which you have accepted responsibility which occurs whilst they are being used in connection with any exhibition, festival or event;</p> <p>b) other items not belonging to you but for which you are responsible whilst they are being used in connection with or while on display at exhibitions, festivals or events:</p> <p>i. at your location(s) or elsewhere within the geographic limits; and</p> <p>ii. whilst in transit to or from the location(s) or the situation of such exhibition, festival or event.</p> <p>For this Further Extension to apply, there must be responsible officials in attendance at all times while the exhibition, festival or event is open to the public and the buildings where the exhibition, festival or event is held must be locked at all times when unattended.</p>	<p>a) for damage to property that is insured under another insurance policy except in excess of the total declared values under such policy for such damage;</p> <p>b) more than \$10,000 for any one event unless a higher amount is shown in the certificate of insurance;</p> <p>c) for damage to side show/carnival rides and like entertainment equipment unless specifically agreed in writing and shown in your certificate of insurance.</p>
<p>3. Frozen or refrigerated food</p> <p>following an event covered by Further Extension Fusion of Electric Motors:</p> <p>a) the cost to replace your frozen or refrigerated food spoiled as a direct result of the fusion of the motor;</p> <p>b) the reasonable cost of hiring alternative freezer or refrigeration space pending necessary repairs.</p>	<p>a) more than \$10,000 for any one event unless a higher amount is shown in the certificate of insurance;</p> <p>b) for frozen or refrigerated food that is beyond its use by date.</p>
<p>4. Furniture and equipment in transit</p> <p>damage to furniture or equipment (not stock):</p> <p>a) whilst in transit in or on a vehicle owned or operated by you or by any person authorised by you between location(s) within the geographic limits utilised by you for the purposes of your operations caused by fire, lightning, explosion, earthquake, impact, riots, strikes, malicious damage, storm and/or tempest, flood or accident to, collision or overturning of the vehicle;</p> <p>b) during loading and unloading to or from such vehicle;</p> <p>c) including the cost of removal of debris and/or cleaning up following the damage</p>	<p>a) for damage to any other items of contents including without limitation any items for which transit cover is available under any other Further Extension to this Section, computers, jewellery, valuables, portable musical instruments, other audio or video equipment, sporting equipment or money;</p> <p>b) for loss or damage to such furniture or equipment caused by:</p> <p>i. delay;</p> <p>ii. mechanical or electrical derangement unless directly as a result of a specified peril;</p> <p>iii. reduction in value because of repair to insured property;</p> <p>c) more than 25% of the total declared value for that category of property at the location of departure or \$50,000, whichever is the lesser, for any one event;</p> <p>d) damage to children's property.</p>

<p>5. Fusion of electric motors</p> <p>a) the cost of repairing or replacing any burnt out motor following electrical current damage, but not exceeding its current value.</p> <p>If the motor is more than 3 years old, we will deduct 15% for each year of age up to a maximum of 80% from the replacement value to arrive at the current value. Depreciation will not be applied to labour costs.</p>	<p>a) for damage to motors for which you are covered under Breakdown of Mechanical and Electronic Equipment Section;</p> <p>b) for damage to rectifiers, radio, television, microwave ovens, computers, amplifying or electronic equipment of any description;</p> <p>c) for damage to motors for which any manufacturer is liable under the provisions of any guarantee, warranty or agreement;</p> <p>d) for damage to lighting or heating elements, fuses or protective devices, gas or seals, electrical contacts at which sparking or arcing occurs in ordinary working;</p> <p>e) for damage to motors of more than 7 kW;</p> <p>f) for loss of use, depreciation, wear and tear of the motors except for wear and tear of insulation which has resulted in the fusion of the electric motor;</p> <p>g) for retrieval, extracting and reinstating of below ground equipment;</p> <p>h) more than the current value of the motor or \$10,000 for any one event whichever is the lesser.</p>
<p>6. Glass breakage</p> <p>a) the actual cost of replacing and fixing glass of the same type and quality or alternatively the actual cost of meeting the minimum specifications required to comply with the relevant building regulations in replacing and fixing glass;</p> <p>b) the additional costs incurred by you in arranging after hours services, express delivery and labour at overtime rates to replace the broken glass.</p>	<p>a) for improvements and embellishments required at the time of repair other than required by regulations;</p> <p>b) for wear and tear including scratching, cracking, chipping, disfiguration or any damage to glass other than its actual breakage;</p> <p>c) for breakage of glass carried by hand;</p> <p>d) for glass which is or was cracked, chipped or imperfect prior to the commencement of this Section of the policy;</p> <p>e) for glass when in transit or while being fitted into position or removed from its fitting;</p> <p>f) for glass at any location undergoing demolition;</p> <p>g) more than \$10,000 for damage to:</p> <ul style="list-style-type: none"> i. window frames or door frames surrounding the broken glass; and ii. fittings and tiled shop fronts; and iii. illuminated signs including perspex and plastic signs; unless a higher amount is shown in the certificate of insurance; <p>h) more than \$10,000 for the cost of temporary shuttering and security including the reinstatement of sign writing, ornamentation, reflective materials or coatings and alarm tapes, unless a higher amount is shown in the certificate of insurance;</p> <p>i) more than \$10,000 for the reasonable costs necessarily incurred to repair or replace your contents as a result of damage to them caused by breakage of glass.</p>

<p>7. Portable musical instruments, other audio or video equipment, sporting equipment outside your location(s)</p> <p>a) <i>damage</i> to portable musical instruments, audio or video equipment or <i>sporting equipment</i> which occurs anywhere within the <i>geographic limits</i>, including whilst in transit, caused by an event not otherwise excluded by this Section whether or not such items belong to <i>you</i>, but only if they were in the care of <i>you</i> or any person authorised by <i>you</i> in connection with <i>your operations</i> at the time of such <i>damage</i>.</p>	<p>a) more than \$5,000 for any one such item and not more than \$25,000 in respect of all such items in any one <i>period of insurance</i>;</p> <p>b) for loss or <i>damage</i> to such equipment caused by loading and unloading of equipment on and from a <i>vehicle</i>.</p>
<p>8. Property in the open air</p> <p>a) accidental <i>damage</i> caused by an event not otherwise excluded by this Section to furniture and other <i>insured</i> property in the open air at <i>your location(s)</i>.</p>	<p>a) more than \$25,000 for any one event or the amount shown in the <i>certificate of insurance</i>.</p>
<p>9. Raffle prizes and donated goods</p> <p>a) accidental <i>damage</i> caused by an event not otherwise excluded by this Section to raffle prizes and donated goods to be used for fund raising events and which occurs away from <i>your location(s)</i> but within the <i>geographic limits</i>.</p>	<p>a) more than \$5,000 or the value of such raffle prizes and donated goods taken up into <i>your</i> books of account as fair value, whichever is the lesser, for any one event, unless a higher amount is shown in the <i>certificate of insurance</i>;</p> <p>b) property not owned by <i>you</i> which is insured elsewhere.</p>
<p>10. Rewriting or reconstruction of records</p> <p>a) the reasonable costs necessarily incurred in rewriting or restoring records as a result of loss or <i>damage</i> not otherwise excluded by this Section to such records, including the loss of <i>electronic data</i> following <i>damage</i> to the data media on which such <i>electronic data</i> is contained.</p>	<p>a) more than \$25,000 for any one event unless a higher amount is stated in the <i>certificate of insurance</i>;</p> <p>b) more than the <i>replacement value</i> of non-proprietary documents and records which are able to be purchased on the market;</p> <p>c) more than the cost of the record media as blank material when reinstatement is not commenced within a reasonable time of <i>us</i> granting <i>our</i> consent;</p> <p>d) for the value to <i>you</i> of the information on the lost or <i>damaged</i> records;</p> <p>e) any financial loss caused to <i>you</i> by the loss of <i>your</i> records;</p> <p>f) rewriting or reconstructing records unless <i>you</i> maintain and regularly update duplicate files stored at alternative location;</p> <p>g) recreating computer media data records not backed up and more than 5 days old at the time of the <i>damage</i>.</p>
<p>11. Works of art, pictures, curios and antiques</p> <p>a) accidental <i>damage</i> caused by an event not otherwise excluded by this Section to works of art, pictures, curios and antiques whilst at any <i>location</i> within the <i>geographical limits</i>.</p>	<p>a) more than \$5,000 for any one such item, pair, set or collection unless a higher amount is shown in the <i>certificate of insurance</i>;</p> <p>b) more for all such items, pairs, sets or collections than 20% of the <i>declared values</i> for <i>contents</i> at the <i>location(s)</i> or \$25,000, whichever is lesser for any one event unless a higher amount is shown in the <i>certificate of insurance</i>.</p>

Specific Condition applicable to Property Protection Section

Coinsurance

If the *total declared values* at the time of loss or *damage* is less than eighty per cent (80%) of the full insurable value of the *insured property* at the commencement of the *period of insurance*, calculated in accordance with the *basis of settlement* we will pay the proportion of the claim the *total declared values* bears to eighty per cent (80%) of the value.

Provided that this clause will not apply

1. if the amount of any *damage* does not exceed ten percent (10%) of the *total declared values*; or
2. to Extra costs of reinstatement incurred by *you* when complying with the requirements of any lawful authority; or
3. if *your insured property* covered under this Property Protection Section has been insured for the full value stated in a Valuation prepared by an Approved Valuer not less than three years before the commencement of the *period of insurance*, and which an Approved Valuer

has updated not more than twelve months prior to the commencement of the **period of insurance**. Approved Valuer means a Certified Practising Valuer registered with The Australian Property Institute within the relevant property discipline.

Breakdown of Mechanical and Electronic Equipment Section

This Section only forms part of **your policy** when Breakdown of Mechanical and Electronic Equipment Section is shown in **your certificate of insurance**.

This Section offers two optional covers each with certain Further Extensions. The two covers are:

Cover A – Breakdown of Mechanical Equipment (including explosion of boilers and pressure vessels) with an Optional Extension Deterioration of Refrigerated Goods.

Cover B – Breakdown of Electronic Equipment with Optional Extensions for Data Media Material and Records, and Increase in Cost of Working.

The **certificate of insurance** will show which of these covers and Optional Extensions **you** have selected.

Specific Definitions applicable to Breakdown of Mechanical and Electronic Equipment Section

In addition to the words or phrases shown as General definitions, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General definition for the same word or phrase, the following specific definition will prevail in this Section.

breakdown means any internal electronic, electrical or mechanical component malfunction or failure which is sudden and unforeseen which stops the function of any **mechanical equipment** or **electronic equipment** and which requires immediate repair or replacement to enable the **mechanical equipment** or **electronic equipment** to function normally. **Breakdown** includes sudden and unforeseen:

- a) explosion or implosion of boilers and pressure vessels;
- b) violent bursting of motors, compressor and equipment subject to centrifugal force with or without ejection of parts and contents.

electronic equipment means all electronic audio-visual, computer, data processing, graphic, laboratory lighting, medical, printing, receiving, recording, research, scanning, signalling, telecommunicating, transmitting or similar equipment at the **location(s)** shown in the **certificate of insurance**. It does not include **mechanical equipment** or electronic components of any **mechanical equipment**.

indemnity period means the maximum indemnity period shown in the **certificate of insurance** in relation to Optional Extension Increase in Cost of Working.

mechanical equipment means all electrical and/or mechanical machinery including their interconnecting cabling and piping, boilers and pressure vessels and any other machinery or equipment at the **location(s)** shown in the **certificate of insurance** which generates, contains, transmit, receives, transforms or utilizes any form or source of energy or power. It does not include **electronic equipment**.

refrigerated goods means frozen or refrigerated perishable goods, stock in trade or merchandise or raw materials belonging to **you** stored in freezers, refrigerators or cool rooms.

sum insured means the amount shown in the **certificate of insurance** which is the maximum amount **we** will pay for any **claim** under any item or in total except where stated otherwise under the Extensions to this Section.

Specific Conditions applicable to Breakdown of Mechanical and Electronic Equipment Section

In addition to the General Conditions applicable to all Sections the following conditions apply to this Section:

1. Adequacy of documentation

We will not be liable to make any payment under this Section unless **you** have produced to **our** reasonable satisfaction all accounts, estimates, invoices, receipts and other documentation indicating that:

- a) repairs have been effected or cannot be effected because of unavailability of parts or that replacement of the whole equipment or machinery has taken place, as the case may be;
- b) for Optional Extension Data Media Material and Records, media replacement has been effected or data restoration has taken place, as the case may be;
- c) for Optional Extension Increase in Cost of Working, additional expenditure has been incurred.

We will be liable if we have not been prejudiced by your failure to produce such invoices, receipts or other documentations.

2. Maintenance agreements

Where an insured item is the subject of a maintenance agreement which provides both:

- a) preventative maintenance service; and
- b) remedial maintenance or repair service, providing both labour and parts to correct equipment malfunctions, repair internal damage and return equipment to good working order;

this Section will, subject to the terms and conditions of this *policy*, cover any repair costs which are outside the scope of the maintenance agreement because of the operation of exclusions or provisions contained in that agreement.

3. Maintenance agreement on computers

Where an insured item is part of a computer, word processor or typesetting computer and is not the subject of any form of maintenance agreement, or is subject to one which provides only preventative maintenance service or a promise of service availability, Cover B Breakdown of Electronic Equipment will only cover costs associated with the locating, diagnosis or rectification of mechanical, electrical or electronic failure, malfunction or *breakdown*.

4. *You* are required to do all things reasonably practicable to:

- a) prevent loss or *damage* and maintain and safeguard the *mechanical equipment* and the *electronic equipment* in good working order;
- b) comply with all manufacturers' operating instructions and recommended maintenance schedule and maintain the *mechanical equipment* and the *electronic equipment* in good working order; and
- c) comply with all statutory obligations, regulations and safety requirements imposed by any authority;
- d) minimise any interruption of or interference with the carrying out of *your operations* to avoid or diminish any loss where such loss is covered by this Section.

Cover A – Breakdown of Mechanical Equipment

What is covered

We will cover *you* under this Cover A for the following events happening during the *period of insurance* and after completion of successful initial commissioning and testing of the equipment:

1. Breakdown of mechanical equipment
 - a) for *breakdown of mechanical equipment at your location(s)*.
2. Explosion of boilers and pressure vessels
 - a) for sudden and violent rending of boilers and pressure vessels at your location(s) by force, explosion of flue gas in such boilers, internal fluid pressure or collapse of such vessels as a result of abnormal vacuum and/or weakening of their structure through wear and tear.
3. Impact by flying fragments
 - a) for damage to property at your location(s) caused by flying fragments following breakdown of surrounding mechanical equipment provided that you are responsible for the property that is struck and this property is owned by you or in your custody or control.

What is not covered

In addition to the General Exclusions applicable to all Sections of this *policy*, *we* will not cover *you* under Cover A of this Section for:

1. *breakdown* of:
 - a) any equipment which was known by *you* to be defective or required repair or rectification of a defect before the *damage* to such equipment occurred;
 - b) electro-medical and diagnostic research equipment;
 - c) *vehicles*;
 - d) *electronic equipment* other than electronic components of the *mechanical equipment*;
 - e) hand dryers, mobile or portable machinery, portable hand held tools and vacuum cleaners;
 - f) gaming, gambling, vending or amusement machines or any coin operated machine;
 - g) lawn maintenance equipment;
 - h) lifts, escalators and mobile equipment;
 - i) any *mechanical equipment* which happens outside the *geographic limits*; or
 - j) any *mechanical equipment* being intentionally subjected to abnormal stresses or overloading or any other testing or experimentation; unless *we* have agreed to any of these in writing and they are shown in the *certificate of insurance* as covered under this Cover A.
2. loss or *damage* for which *you* are covered under Property Protection Section of this *policy* or for which *you* would have been covered under Property Protection Section if that Section had been taken out by *you*.
3. *damage* to:
 - a) lighting or heating elements, fuses or protective devices;

- b) electrical contacts at which sparking or arcing occurs in ordinary working;
 - c) electrical wiring due to ageing and normal use;
 - d) ducting, water and gas piping as a result of rust or corrosion; or
 - e) equipment parts as a result of wear and tear, rust, scale, corrosion, gradual deterioration, scratching or marring, chipping or denting, developing flaws, normal upkeep or maintenance;
4. **damage** caused by:
- a) failure to reasonably comply with statutes, regulations, or other statutory requirements relating to safeguarding or operation of equipment;
 - b) shrinkage, inherent defects, natural deterioration or natural putrefaction;
 - c) improper storage or stowage, collapse of packing material, deviations from designers' specifications or instructions; or
 - d) moths, termites or other insects, vermin, or oxidation, mildew, mould, contamination or pollution, wet or dry rot, change of colour, texture or finish, dampness, light, variations in or extremes of temperature, evaporation, inherent vice, inherent defect, latent defect, loss of weight, atmosphere or climatic conditions.
5. any costs associated with:
- a) replacement of consumable parts of equipment such as belts, ropes, chains, tyres, filters, refrigerant dryers, fuses, electric heating elements, electrical contacts, thermostats, thermostatic expansion valves, jointing, gland packing, seals, dies, moulds, cylinders, crushing surfaces, cutting blades, refractory materials, **glass** and porcelain components, ceramics, refractories, felts, sieves, fabrics, lubricants, fuel, catalysts, refrigerant gas, transfer media and any other parts that require periodic or frequent replacement with usage of equipment but this exclusion shall not apply where the replacement of these consumable parts is necessary due to **damage** covered by this Cover A;
 - b) converting refrigeration and/or air-conditioning units from use of chlorofluorocarbon refrigerant gas to any other type of refrigerant gas;
 - c) the repair or any developing crack, fracture, blister, lamination, flaw or grooving in boilers and pressure vessels which has not penetrated through the entire thickness of the material;
 - d) alterations, additions, improvements or overhauls of equipment whether carried out in the course of indemnifiable repairs or as a separate operation;
 - e) preventative maintenance work any process involving cleaning, normal upkeep or maintenance of equipment; or
 - f) repairing or replacing any **mechanical equipment** if the manufacturer, supplier, agent or any other person is responsible for that repair or replacement under the terms of a maintenance agreement or supply warranty or agreement.
6. **penalties** for delay or detention.
7. loss of use or consequential loss of any kind.

Basis of settlement – what we will pay

Following an event covered by Cover A Breakdown of Mechanical Equipment:

We will pay for:	We will not pay:
<ol style="list-style-type: none"> 1. the cost of repairs necessary to return the damaged item or part of the item to its former state of serviceability including any necessary dismantling and re-erection; or 2. the additional expenditure reasonably and necessarily incurred by you for: <ol style="list-style-type: none"> a) temporary repairs; b) hire of alternative equipment; c) labour, overtime and work on public holidays incurred in expediting the repairs; d) freight within Australia, including transportation as freight by any recognised airlines' scheduled service; e) removing, storing and disposing of debris being residue of damaged insured property. 	<ol style="list-style-type: none"> 1. more than the cost of repairing or replacing the damaged part of an item of equipment including any necessary costs of dismantling and re-erection when damage is confined to that part, but not: <ol style="list-style-type: none"> a) more than the sum insured for the item of equipment, if any, shown in the certificate of insurance; or b) more than the limit of liability for any one item of equipment for Cover A shown in the certificate of insurance; or c) more than the pre-breakdown market value of the item of mechanical equipment where the mechanical equipment is not able to be repaired because any replacement part/s for the equipment cannot be purchased or manufactured. Where necessary, the estimated cost of unavailable parts will be based on the cost of available parts for similar equipment which are still in production; <p>whichever is the lesser.</p> 2. for any costs to remove pollutants beyond the boundaries or your location(s). 3. for any additional expenditure exceeding more than 50% of the repair or replacement value of the damaged equipment or the limit of liability for any one item of equipment shown in the certificate of insurance, whichever is the lesser.

Optional Extension

Applicable to Breakdown of Mechanical Equipment only if shown on **your certificate of insurance**.

Following an event covered by Cover A:

We will also pay:	We will not pay:
<ol style="list-style-type: none"> 1. Deterioration of refrigerated goods cover <ol style="list-style-type: none"> a) following breakdown of refrigeration equipment covered under this Cover A and for which a claim has been admitted, or temporary refrigeration plant at the location for a period not exceeding 60 days; for <ol style="list-style-type: none"> i. the cost of replacing refrigerated goods rendered inedible or un-saleable including the cost of disposing of the damaged goods; and ii. the expenses reasonably incurred to avoid, diminish or minimise the deterioration or putrefaction of the refrigerated goods. <p>For the purposes of this Optional Extension, we will also cover such costs and expenses incurred as a result of:</p> <ol style="list-style-type: none"> a) sudden and unforeseen failure due to breakdown of the public power supply causing cessation, but not the deliberate act of the power supply authority to restrict or withhold supply unless this is necessary to safeguard life or any part of the supply and is not due to fire, flood, storm or any other natural cause; b) failure of temperature control or protective devices within refrigeration units or sudden leakage of refrigerant from the refrigeration machinery and associated piping system; c) contamination of stored stock by accidental escape of coolant or refrigerant into the cold chamber. 	<ol style="list-style-type: none"> a) more than \$10,000 following any one breakdown or such other amount as shown in the certificate of insurance; b) for any loss arising from a change in temperature caused by the renewal or repair of fuses or electrical contacts, maintenance of equipment, ordinary working, wear and tear or gradual deterioration of the refrigeration equipment (unless such wear and tear or gradual deterioration results in sudden unexpected stoppage of the equipment); c) for deterioration of refrigerated goods due to the mis-operation or failure of thermostats, pressure controls or limiting devices due to operator error when setting such devices; d) for loss or damage caused by shrinkage, inherent defects, natural deterioration or natural putrefaction of refrigerated goods; or e) for the costs of replacement of refrigerated goods that are beyond their use by date.

Cover B – Breakdown of Electronic Equipment

What is covered

We will cover **you** under this Cover B for **breakdown of electronic equipment** which happens during the **period of insurance** within the **geographic limits** and after completion of successful initial commissioning and testing of the equipment.

What is not covered

In addition to the General Exclusions applicable to all Sections of this **policy**, **we** will not cover **you** under Cover B of this Section for:

1. **breakdown of electronic equipment:**
 - a) which was known by **you** to be defective before **damage** to such equipment occurred;
 - b) not belonging to **you**, or which is leased or hired in or hired out or loaned by **you** while it is out of **your** possession, care, custody or control on hire, rental, lease or loan;
 - c) from causes for which cover is not provided for **mechanical equipment** under Cover A of this Section;
 - d) due to atmospheric moisture or temperature unless directly resulting from **damage** to or malfunction of air-conditioning equipment; or
 - e) due to **cyber-attack**.
2. the cost of replacement of consumable parts of equipment such as batteries, belts, chains, tapes, ribbons, filters, fuses, electric heating elements or electrical contacts worn through normal use or operation, unless replacement of such consumable part is necessary due to **damage** covered by this Cover B.
3. the cost of replacing **damaged** data media material or lost or corrupted **electronic data** or programs and restoring the lost information onto the data media.
4. the cost of:
 - a) preventative maintenance work;
 - b) alterations, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
 - c) replacement or restoration of equipment or parts of equipment following normal wear and tear or gradual deterioration unless the wear and tear or gradual deterioration results in **breakdown of the electronic equipment**; or
 - d) temporary repairs unless such repairs constitute part of the final repairs and do not increase the total repair costs.

Basis of settlement – what we will pay

Following an event covered by Cover B Breakdown of Electronic Equipment:

We will pay for:	We will not pay:
<ol style="list-style-type: none"> 1. the cost of repairs necessary to return the damaged item or part of the item to its former state of serviceability, including any necessary dismantling and re-erection; or 2. the replacement cost of the item but where the equipment is more than three years old, we will deduct 15% for each year of age up to a maximum of 80%. Depreciation will not be applied to labour costs and any salvage will be subtracted from the amount calculated; and 3. the additional expenditure reasonably and necessarily incurred by you for: <ol style="list-style-type: none"> a) removing, storing and disposing of debris being residue of damaged insured property; b) temporary repairs; c) labour, overtime and work on public holidays incurred in expediting the repairs; d) freight within Australia, including transportation as freight by any recognised airlines' scheduled service; e) customs duties and dues, if any, to the extent that such expenses have been included in the sum insured for the item shown in the certificate of insurance for this Cover B. 	<ol style="list-style-type: none"> 1. more than the cost of repairing or replacing the damaged part of an item of equipment including any necessary costs of dismantling and re-erection when damage is confined to that part; 2. more than the sum insured for the item of equipment, if any, shown in the certificate of insurance; 3. more than the limit of liability for any one item of equipment for Cover B shown in the certificate of insurance; 4. more than the pre-breakdown market value of the item of electronic equipment where the electronic equipment is not able to be repaired because any replacement part/s for the equipment cannot be purchased or manufactured. Where necessary, the estimated cost of unavailable parts will be based on the cost of available parts for similar equipment which are still in production; 5. for any additional expenditure exceeding more than 50% of the repair or replacement value of the damaged equipment or the limit of liability for any one item of equipment shown in the certificate of insurance, whichever is the lesser.

Optional Extensions

Applicable to Breakdown of Electronic Equipment only if shown on *your certificate of insurance*.

Following an event covered by Cover B:

We will also pay:	We will not pay:
<p>1. Data media material and records</p> <p>We will cover you if data media material suffers loss or damage during the period of insurance following an event covered under Cover B and not otherwise excluded by this Section. We will pay for:</p> <ul style="list-style-type: none"> a) the actual cost necessarily incurred by you to replace lost or damaged data media by new unused materials; b) charges for labour, overtime and work on public holidays incurred by you in expediting the restoration of your electronic data and/or records; c) any reasonable expenses which can be proved to have been incurred by you strictly for the purpose of restoring your electronic data or information in a condition equivalent to that existing prior to the occurrence of the damage to the data media. <p>Lost data or information may be produced in an updated form if the cost of doing so is no greater than that of reinstatement in the original form.</p>	<ul style="list-style-type: none"> a) for loss or distortion of data, information or records which does not arise from breakdown covered under Cover B; b) for loss or damage caused by atmospheric moisture or temperature unless directly resulting from damage to or malfunction of air-conditioning equipment; c) for the cost of replacement of component parts worn through normal use or operation; d) for loss or damage due to faults or defects known to you or any of your officials, employees or volunteers at the time of commencement of this Section of the policy and not disclosed to us; e) more than the replacement value of lost data and records which are able to be purchased on the market; f) more than the cost of the record media as blank material when reinstatement is not commenced within a reasonable time of us granting our consent; g) for the value to you of the lost or damaged data and records.
<p>2. Increase in cost of working cover</p> <p>We will cover you for the cost of alternative computer equipment and any increase during the indemnity period in your cost of working if the normal operation of the items covered under Cover B is interrupted as a direct result of breakdown covered under this Cover B. We will pay for:</p> <ul style="list-style-type: none"> a) the cost of alternative equipment to replace the damaged equipment pending repair or replacement; and b) all actual additional expenditure you can prove has been necessarily and reasonably incurred during the indemnity period over and above the normal expenses which you would have incurred in the operation of the items covered under this Cover B. 	<ul style="list-style-type: none"> a) for expenses incurred: <ul style="list-style-type: none"> i. during interruption periods for cleaning, adjustment, maintenance or overhaul or alterations, additions or improvements to the insured items; ii. after the indemnity period has expired; b) any increase in cost of working exceeding four (4) weeks extension of interruption due to delay in the completion of repair or restoration of items of foreign manufacture arising from one or any combination of: <ul style="list-style-type: none"> i. the delay in the completion of repair or restoration of items of foreign manufacture; ii. measures, restrictions or regulations imposed by any government authority; iii. the time required to procure replacement component parts or complete items overseas; iv. the time required to transport parts or complete items between the location(s) and the overseas place of repair or restoration; v. time required to engage and transport overseas specialists or consultants to attend local repairs.

Money Section

This Section only forms part of *your policy* when Money Section is shown in *your certificate of insurance*

Specific Definitions

In addition to the words or phrases shown as General definitions, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General definition for the same word or phrase, the following specific definition will prevail in this Section.

carrier means professional **money** carrier, professional carrier or common carrier.

sum insured means the amount shown in the *certificate of insurance* which is the maximum amount **we** will pay for any **claim** under any item or in total except where stated otherwise under the Extensions to this Section.

transit means in *your* personal custody or in the custody of persons by *you* anywhere in Australia and shall be deemed to have commenced immediately the **safe** or strongroom containing the **money** is unlocked for the purpose of removal and immediate transportation of the **money** from the **location** Whilst contained in a night safe, night deposit chute or automatic teller machine of any financial services provider, **money** shall be deemed to be in **transit** until such time as *your* financial services provider has recorded the **money** into *your* account or ceases trading on the next business day following *your* deposit.

What is covered

We will cover *you* for loss of or **damage** to **money** which occurs during the *period of insurance* while the **money** is:

1. in **transit** to or from *your location(s)* and is in *your* custody or the custody of an **official, employee or volunteer**.
2. in a securely locked **safe**.
3. in *your buildings* during and outside *your business hours*.
4. in *your* private residence or that of an **official or employee** authorised to take the **money** to their residence until the end of the next bank business day.

What is not covered

In addition to the General Exclusions applicable to all Sections of this *policy*, **we** will not cover *you* under this Section for:

1. more than \$2,000 for loss of **money** while the **money** is in *your buildings* and not contained in a locked **safe** outside *business hours* unless a higher amount is shown in the *certificate of insurance*.
2. loss of **money**:
 - a) from a **safe** opened with a key or combination unless following violence or threat of violence to *you* or *your officials, employees, or volunteers*;
 - b) from an unattended and unlocked **vehicle**;
 - c) not discovered within 15 days of the loss or **damage** occurring;
 - d) due to accounting error or handling error or errors in receiving or paying out **money**;
 - e) due to forged or dishonoured cheques;
 - f) while in the custody of **carriers**;
 - g) caused by fraud or dishonesty by *you, your officials, employees or volunteers*; or
 - h) arising from a kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempted threat.

Basis of settlement – what we will pay

Following an event covered by Money Section:

We will pay:	We will not pay:
the amount of <i>your</i> loss of money based on quantification by <i>your</i> accountant.	more than the sum insured stated in the <i>certificate of insurance</i> for any item or in the aggregate in respect of this Section excepting as varied under the Extensions of cover stated below.

Extensions

The amounts payable under the following Extensions will be additional to the *sum insured* noted on *your certificate of insurance*.

Following an event covered by Money Section:

We will:	We will not pay:
<p>1. Clothing and personal effects</p> <p>pay for the repair or replacement of clothing and <i>personal effects</i> belonging to <i>your employees</i> or others where these items are <i>damaged</i> during any theft or attempted theft of <i>your money</i>.</p>	<p>a) more than \$10,000 for any one event in addition to the Section <i>sum insured</i> but if <i>you</i> are also insured under Theft Section the benefit offered under this Extension will not be cumulative with Extension Clothing and Personal Effects of Theft Section.</p>
<p>2. Death benefits</p> <p>pay death benefits for any person protecting or attempting to protect <i>money</i> from theft or attempted theft who is injured in the occurrence and death results from the injury within 12 months.</p>	<p>a) more than \$10,000 for any one person but if <i>you</i> are also insured under Theft Section the benefit offered under this Extension will not be cumulative with Extension Death Benefits of Theft Section.</p>
<p>3. Increased limit for fundraising events</p> <p>increase the <i>sum insured</i> for loss of <i>money</i> which occurs during fundraising events for <i>money</i> in transit and for <i>money</i> in <i>your building</i>.</p> <p>This increased cover will apply for 7 days prior to, during and for 7 days after two fundraising events of <i>your</i> choice.</p>	<p>a) more than \$2,000 for loss of <i>money</i> while the <i>money</i> is in <i>your buildings</i> and not in a locked <i>safe</i> outside <i>business hours</i>; or</p> <p>b) more than 100% in addition to the <i>sum insured</i> shown in <i>your certificate of insurance</i> for this Section, unless a higher amount is shown on <i>your certificate of insurance</i>.</p>
<p>4. Public holiday</p> <p>increase the <i>sum(s) insured</i> for loss of <i>money</i> covered by this Section by 100% on days that are bank or public holidays until 5.00pm on the first bank trading day after such holiday. This increased cover is not cumulative with Extension Increased Limit for Fundraising Events.</p>	<p>a) this increased cover for <i>damage</i> to <i>safes</i> and strongrooms.</p>
<p>5. Safes, locks and keys</p> <p>pay for the cost to open, repair or replace <i>safes</i>, locks, keys and combinations to a <i>safe</i> or <i>money</i> bag(s) necessarily and reasonably incurred by <i>you</i> following theft or attempted theft of <i>money</i> in addition to the <i>sum insured</i> applicable under this Section.</p>	<p>a) more than \$10,000 for any one event in addition to the Section <i>sum insured</i> but if <i>you</i> are also insured under Theft Section the benefit offered under this Extension will not be cumulative with Extension Safes, Locks and Keys of Theft Section.</p>
<p>6. Security services</p> <p>pay the charges incurred by <i>you</i> for services rendered by <i>your</i> security provider following the event including reinstating security at the <i>location</i> and any other reasonable and necessary costs in arranging temporary protection, or the employment of security guards or watchman to safeguard <i>money</i> at the <i>location</i>.</p>	<p>a) more than \$10,000 for any one event but if <i>you</i> are also insured under Theft Section the benefit offered under this Extension will not be cumulative with Extension Security Section of Theft Section.</p>

Theft Section

This Section only forms part of *your policy* when Theft Section is shown in *your certificate of insurance*

Specific Definitions

In addition to the words or phrases shown as General definitions, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General definition for the same word or phrase, the following specific definition will prevail in this Section.

sum insured means the amount shown in the *certificate of insurance* which is the maximum amount **we** will pay for any **claim** under any item or in total except where stated otherwise under the Extensions to this Section.

What is covered

We will cover **you** for loss of or **damage** to the **insured property** (other than **money**) which occurs during the **period of insurance** as a result of the following events:

1. theft following forcible and violent entry (or any attempt thereat) into or upon the **buildings** at the **location(s)**.
2. hold up or threat of violence to **you, your officials, employees or volunteers**.
3. theft by a person illegally concealed at the **location(s)**.
4. theft of **insured property** in the open air at the **location(s)**.

What loss or damage is not covered

In addition to the General Exclusions applicable to all Sections of this *policy*, **we** will not cover **you** under this Section for loss or **damage**:

1. caused by theft or attempted theft committed by:
 - a) **you**; or
 - b) any of **your officials, employees or volunteers** unless consequent upon theft following forcible and violent entry into or upon **buildings** at the **location(s)**.
2. to **insured property** from an unlocked and unattended **vehicle**.
3. which occurs when the **location(s)** has been unoccupied or unused for a continuous period of more than 100 days unless **we** have consented to this.

What property is not covered

Unless specifically shown in the *certificate of insurance* as **insured property** covered under this Section, **we** do not cover property which is:

1. jewellery, furs, bullion, precious metals or precious stones valued at over \$5,000 in all.
2. curios, pictures, works of art, gold or silver articles, or icons valued at over \$5,000 for any one item, pair, set or collection.
3. livestock, animals, birds or fish, **landscaping**, growing crops, pastures or standing timber.
4. **vehicles** (other than forklifts or mobile lifting equipment not otherwise insured) unless specifically shown as insured in the *certificate of insurance* for this Section.
5. **buildings** undergoing demolition.

Basis of settlement – what we will pay

Following an event covered by Theft Section:

We will pay:	We will not pay:
<ol style="list-style-type: none">1. for the insured property which suffers loss or damage caused by a defined event, for the cost to:<ol style="list-style-type: none">a) replace the insured property if it is not found within a reasonable time; orb) repair the insured property if it can be economically repaired; orc) replace the insured property if it cannot be economically repaired.	<ol style="list-style-type: none">a) more than the sum insured in respect of this Section or the repair cost or replacement value, whichever is less;b) more than \$10,000 in respect of loss or damage caused by theft of insured property in the open air;c) in respect of insured property that forms part of a pair or set, more than the value of the part of the pair or set which is lost or damaged, even if it cannot be replaced with a matching item. The value of each item will be regarded as spread proportionately over the whole of the pair or set.

Extensions

The amounts payable under the following Extensions are included in the **sum insured** noted on **your certificate of insurance**, unless specifically stated below. Following an event covered by this Section:

We will also:	We will not pay:
<p>1. Clothing and personal effects</p> <p>pay for the repair or replacement of clothing and personal effects belonging to your employees or others where these items are damaged during any theft or attempted theft of your insured property.</p>	<p>a) more than \$10,000 for in any one event but if you are also insured under Money Section the benefit offered under this Extension will not be cumulative with Extension Clothing and Personal Effects of Money Section.</p>
<p>2. Death Benefits</p> <p>pay death benefits for any person protecting or attempting to protect insured property other than money from theft or attempted theft who is injured in the occurrence and death results from the injury within 12 months.</p>	<p>a) more than \$10,000 for any one person but if you are also insured under Money Section the benefit offered under this Extension 4 will not be cumulative with Extension Death Benefits of Money Section.</p>
<p>3. Metered water</p> <p>pay the cost of metered water charges arising directly from the theft of insured property or water at the location.</p>	<p>a) more than \$10,000 any one event but if you are also insured under Property Protection Section the benefit offered under this Extension will not be cumulative with Extension Metered Water of Property Protection Section.</p>
<p>4. Safes, locks and keys</p> <p>pay to replace keys, locks, combinations and/or the cost of opening a safe where the keys and/or combinations have been stolen.</p>	<p>a) more than \$10,000 for any one event but if you are also insured under Money Section the benefit offered under this Extension will not be cumulative with Extension Safes, Locks and Keys of Money Section.</p>
<p>5. Security services</p> <p>pay the charges incurred by you for services rendered by your security provider following the event including reinstating security at the location and other reasonable costs in arranging temporary protection, or the employment of security guards or watchman to safeguard insured property at the location.</p>	<p>a) more than \$10,000 for any one event but if you are also insured under Money Section the benefit offered under this Extension will not be cumulative with Extension Security Services of Money Section.</p>

Further Extensions

Under this Section, **we** will also provide the following additional covers. The amounts payable are included in the **sum insured** noted on **your certificate of insurance**, unless specifically stated below.

We will also pay for:	We will not pay:
<p>1. Furniture and equipment in transit</p> <p>loss of or damage to your furniture and equipment other than musical instruments, computers, jewellery, valuables, electronic and sporting equipment as a result of theft whilst in transit between location(s) utilised by you for your operations within the geographic limits in or on a vehicle owned or operated by you or by any person authorised by you.</p>	<p>a) more than 20% of the sum insured shown in the certificate of insurance for Theft Section.</p>
<p>2. Insured property temporarily removed</p> <p>loss of or damage to insured property (other than money) temporarily removed from the location(s) and situated in another building within the geographic limits.</p>	<p>a) more than 20% of the sum insured shown in the certificate of insurance for Theft Section; or</p> <p>b) for loss or damage to such insured property:</p> <ol style="list-style-type: none"> i. not contained within a fully enclosed building ii. in a vehicle; iii. whilst in transit (except as stated in Extension Furniture and equipment in transit); iv. which has been removed from the location(s) for more than 90 consecutive days at the time of the loss or damage.

<p>3. Musical instruments, other portable audio, video or sound equipment, and sporting equipment</p> <p>loss of or damage to musical instruments, other portable audio, video or sound equipment, and sporting equipment which occurs anywhere within the geographic limits, including whilst in transit, as a result of theft whether or not such items belong to you but only if they were in the care of you or any person authorised by you in connection with your operations at the time of such loss or damage.</p>	<p>a) for loss or damage caused by theft from an unlocked vehicle;</p> <p>b) more than \$1,000 for any one such item and not more than \$5,000 in respect of all such items in any one event, unless a higher amount is shown on your certificate of insurance.</p>
<p>4. Theft without forcible or violent entry</p> <p>loss of or damage to insured property resulting from theft without evidence of forcible or violent entry, but only if the theft or attempted theft was not committed by you or any of your officials, employees or volunteers.</p>	<p>a) more than \$5,000 for any one event.</p>

General Property Section

This Section only forms part of **your policy** when General Property Section is shown in **your certificate of insurance**.

Specific Definitions

In addition to the words or phrases shown as General definitions, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General definition for the same word or phrase, the following specific definition will prevail in this Section.

sum insured means the amount shown in the **certificate of insurance** which is the maximum amount **we** will pay for any **claim** under any item or in total except where stated otherwise under the Extensions to this Section.

What is covered

We will cover **you** for accidental **damage** not otherwise excluded by this Section to the **insured property you** specify and which is shown in the **certificate of insurance** as covered by this Section and which occurs whilst that **insured property** is anywhere within the **geographic limits**.

What is not covered

In addition to the General Exclusions applicable to all Sections of this **policy**, **we** will not cover **you** under this Section for loss or **damage**:

- to property not owned by **you** unless otherwise specifically shown in the **certificate of insurance**.
- to **insured property** as a result of mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure, or breakdown but this exclusion will not apply to subsequent damage from a cause or event not otherwise excluded which results from such malfunction, failure or breakdown.
- caused by theft of **insured property** in the open air unless agreed by **us** and shown in the **certificate of insurance**. Our agreement shall not be unseasonably withheld.
- caused by theft from unlocked **location(s)** or an unlocked **vehicle**.

Basis of settlement – what we will pay

Following an event covered by this Section:

We will pay:	We will not pay:
<ol style="list-style-type: none"> the reasonable cost of repairing the damaged item where the insured property can be repaired; or the replacement value where the insured property cannot be economically repaired. 	<ol style="list-style-type: none"> more than the sum insured shown in the certificate of insurance for each item of insured property specified in the certificate of insurance; or more than \$2,000 per item when blanket cover for unspecified items is selected, unless a higher amount is shown in your certificate of insurance; or more for any one event than the sum insured shown in the certificate of insurance for this Section.

Income Protection Section

This Section only forms part of *your policy* when Income Protection Section is shown in *your certificate of insurance*.

Specific Definitions applicable to Income Protection Section

In addition to the words or phrases shown as General Definitions, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General Definition for the same word or phrase, the following specific definition will prevail in this Section.

income means the ***money*** paid or payable to ***you*** arising from ***your operations*** including gifts, donations, grants, government subsidies, proceeds of sales, rent (including ***money*** paid as outgoings by the lessee under the terms of the rental or leasing agreement) and other receivables after the deduction of all discounts allowed.

indemnity period means the period commencing from the time the ***insured damage*** causes interruption to or interference with the carrying out of ***your operations***, until the date the interruption or interference ceases provided that this period will not exceed the number of months stated in the ***certificate of insurance***.

infectious disease means an outbreak of a human communicable disease at the ***location(s)***.

insured damage means damage to property when the property that is ***damaged*** and the cause of the ***damage*** would be covered, under Property Protection Sections, Money Section, Theft Section, and/or General Property Section of this ***policy*** had such property been ***insured property***.

limit of liability means the amount shown under Income Protection Section, in the ***certificate of insurance*** which is the maximum amount ***we*** will pay for any ***claim*** under this Section, including the Extensions and Optional Extensions unless ***we*** state otherwise.

standard income means the ***income*** earned during that period corresponding with the ***indemnity period*** in the twelve months immediately before the date of the ***damage*** adjusted to reflect trends in the ***income***, the conduct of ***your operations*** or any other circumstances so as to represent as reasonably as practicable the ***income*** which would have been achieved by ***you*** after the date of the ***damage*** had the interruption or interference not happened.

What is covered

We will cover ***you*** for loss of ***income*** during the ***indemnity period***, resulting from interruption to or interference with the carrying out of ***your operations*** and caused by ***insured damage*** to the ***insured property*** or property used by ***you*** at the ***locations*** during the ***period of insurance***, but only where a ***claim*** has been admitted or would have been admitted by ***us***, except for the operation of an ***excess***, under the following ***policy*** Sections:

1. Property Protection Section;
2. Money Section;
3. Theft Section; and/or
4. General Property Section.

Payment of a ***claim*** made under this Section will be in accordance with the ***basis of settlement***.

What loss of *income* is not covered

This Section does not cover loss of ***income*** following:

1. loss of or ***damage*** to any property which is excluded from cover by the General Exclusions applicable to all Sections of the ***policy*** or any ***property*** specified in What property is not covered for Property Protection Section, Money Section, Theft Section and/or General Property Section; and
2. ***damage*** to ***insured property*** caused by any of the events in General Exclusions applicable to all Sections of the ***policy*** and exclusions specified in What ***damage*** is not covered for Property Protection Section, Money Section, Theft Section and/or General Property Section.

How much *we* will pay

1. ***We*** will not pay more for any ***claim*** under this Section than the ***limit of liability***.
2. Where cover for any ***claim*** provided by an Extension in this Section is limited to an amount below the Section ***limit of liability***, ***we*** will not pay more than the amount stated in this Section unless another amount is selected by ***you*** and shown in the ***certificate of insurance***.

Basis of settlement – what we will pay

Following an event covered by this Section:

We will pay:	We will not pay:
<ol style="list-style-type: none"> 1. an amount equal to the amount by which the income earned during the indemnity period falls short of the standard income because of the interruption or interference; plus 2. any reasonable expenditure certified by your accountant which you incur during the indemnity period for the purpose of minimising interruption to the carrying out of your operations but not exceeding the amount of income saved; less 3. any sum saved during the indemnity period in respect of charges and expenses payable out of income as may cease or be reduced in consequence of the damage; and 4. any sum received or receivable in respect of services rendered elsewhere than at the location(s) either by you or by others on your behalf for your benefit in the carrying out of your operations. 	<ol style="list-style-type: none"> a) for any claim under this Section after: <ol style="list-style-type: none"> i. you have been bankrupted, dissolved or wound up or have ceased to operate; ii. a liquidator, receiver, administrator or trustee in bankruptcy has been appointed to you; unless such events arise directly as a result of the interruption of or interference with your operations from a cause covered by this Section, in which case we will make an equitable settlement.

Extensions

We will also cover **you** for loss of income during the indemnity period resulting from interruption to or interference with the carrying out of **your operations**:

Caused by:	We will not pay:
<ol style="list-style-type: none"> 1. Catastrophe Escalation Costs When Extension Catastrophe Escalation Costs under Property Protection Section applies, and the indemnity period stated in the schedule is 12 months or more, we will increase the indemnity period by a further 3 months, providing that you undertake the reinstatement of your business at the existing location or at an alternative location without unreasonable delay on your part. NOTE: This increase in your indemnity period is in recognition of the delays and difficulties experienced in the aftermath of such events which extend the normal period in which the results of any business are affected in consequence of the insured damage. 	<ol style="list-style-type: none"> a) more than the limit of liability for this Section in total.
<ol style="list-style-type: none"> 2. Property in the vicinity insured damage to property within 30 kilometres of your location(s) which prevents or hinders access to the location(s) or restricts your ability to carry out your operations. 	<ol style="list-style-type: none"> a) for loss of income unless the period of interference or interruption following the damage exceeds 48 hours.
<ol style="list-style-type: none"> 3. Service suppliers insured damage to land-based property in Australia which belongs to or is under the control of any company or authority supplying or delivering communication, electricity, gas, water or sewerage services for use in your operations or the operations of your suppliers and customers. 	<ol style="list-style-type: none"> a) for loss of income unless the period of interference or interruption following the damage exceeds 48 hours; b) more than 20% of the limit of liability any one event.
<ol style="list-style-type: none"> 4. Suppliers to you insured damage to property situated within the geographical limits belonging to a supplier or distributor of products or services to you or to any of their direct suppliers. 	<ol style="list-style-type: none"> a) for loss of income unless the period of interference or interruption following the damage exceeds 48 hours; b) more than 20% of the limit of liability any one event.
<ol style="list-style-type: none"> 5. Your customers insured damage to the property situated within the geographic limits of a customer or client, or property at the premises of their direct suppliers, including work sites when your operations involve work away from your location(s). 	<ol style="list-style-type: none"> a) more than 20% of the limit of liability any one event.

<p>6. Access prevention by public authority</p> <p>arising from closure or evacuation of the whole or part of the operation due to an order or direction made during the period of insurance by a government authority or official acting with legislative authority consequent upon:</p> <ul style="list-style-type: none"> a) infectious or contagious disease manifested by any person whilst at the location; b) vermin or pests or defects in the drains or other sanitary arrangements at the location; c) injury, illness or disease directly caused by the consumption of food or drink provided on the location; d) murder or suicide occurring in or at the location, <p>Provided that Extension 6 (a) will not cover you for loss resulting from interruption of or interference with your operation that directly or indirectly results from or arises out of or in connection with:</p> <ul style="list-style-type: none"> i) any highly pathogenic avian or animal influenza in humans; ii) Rabies; iii) Cholera; vi) any pandemic or epidemic as declared as such by the World Health Organization; or v) any disease determined to be a 'listed human disease' under the Biosecurity Act 2015 (Cth) as amended from time to time or any disease that is determined, listed or otherwise specified in an equivalent manner under any legislation that either replaces the Biosecurity Act 2015 or has an equivalent object or objects. 	<ul style="list-style-type: none"> a) for loss of income unless the period of interference or interruption following the order exceeds 48 hours. b) more than \$100,000 or the limit of liability specified in the certificate of insurance for this Extension.
<p>7. Public evacuation</p> <p>the evacuation of the public and your potential clients from the area in which your operations are conducted on the order of the relevant authority following the declaration of a state of emergency resulting from insured damage arising out of a natural disaster event.</p>	<ul style="list-style-type: none"> a) for loss of income unless the period of interference or interruption following the order exceeds 48 hours.
<p>8. Registered motor vehicles</p> <p>insured damage to registered motor vehicles that are owned and/or operated by you and/or your contractor(s) occurring at your location(s) or at the premises of your contractor(s).</p>	
<p>9. Roads, bridges and railway lines</p> <p>insured damage to roads, bridges and railway lines over which stock, supplies, components, materials are conveyed to and from your locations.</p>	<ul style="list-style-type: none"> a) more than 20% of the limit of liability any one event.
<p>10. Computer data</p> <p>insured damage to computer installations, including ancillary equipment and data processing media utilised by you in your operations.</p>	<ul style="list-style-type: none"> a) more than 20% of the limit of liability any one event.

Optional Extensions

Applicable to Income Protection only if shown on *your certificate of insurance*.

What we will pay:	We will not pay:
<p>1. Additional increase in cost of working</p> <p>for additional increase in the cost of working (not otherwise recoverable under this Section or from any other source) necessarily and reasonably incurred by you, including temporary accommodation and relocation costs of employees and children during the indemnity period for the purpose of avoiding or diminishing a reduction in income and/or resuming your normal operations.</p>	<p>a) more than the amount shown in the certificate of insurance for this Optional Extension for any one event.</p>
<p>2. Additional severance pay</p> <p>for additional expenditure beyond that recoverable under loss of income of this Section as you are obligated or have agreed to pay under industrial awards, determinations, decisions or agreements for severance pay and/or in lieu of notice to employees whose services are terminated during the indemnity period in consequence of the insured damage.</p>	<p>a) more than the amount shown in the certificate of insurance for this Optional Extension for any one event.</p>
<p>3. Additional Accounting and other professional costs</p> <p>for professional fees and other reasonable expenses necessarily incurred by you for preparation of claims under Property Protection Section and this Section, additional to those provided under General Condition – Claims preparation costs.</p>	<p>a) more than the amount shown in the certificate of insurance for this Optional Extension for any one event.</p>
<p>4. Fines and Penalties</p> <p>for such sum or sums as you are legally liable to pay in discharge of fines and/or damages incurred in consequence of the insured damage for non-completion or late completion of services or orders, or the inability to meet contract specifications or cancellation of services or orders.</p>	<p>a) more than the amount shown in the certificate of insurance for this Optional Extension for any one event.</p>
<p>5. Book Debts</p> <p>if, following insured damage to your accounts receivable records or other books of account or other records at the location(s) by an event covered under Property Protection Section, you are unable to collect outstanding debit balances owed to you:</p> <p>a) for the difference between such debit balances and the total of the amounts received or traced by you in respect of such balances;</p> <p>b) for the additional expenditure incurred by you with our prior consent in tracing and establishing debit balances owed to you after the insured damage;</p> <p>c) for the reasonable professional accounting fees necessarily incurred by you in providing any evidence required by us in support of a claim under this Optional Extension.</p> <p>For this Optional Extension to apply, you must establish back-up records of your debtors at the close of each month and remove or save these to a secure site and place of storage away from your location(s).</p>	<p>a) for any loss arising from misfiling, erasure, distortion, deliberate falsification of records;</p> <p>b) for any amount representing bad debts or provisioning for bad debts;</p> <p>c) more than the amount shown in the certificate of insurance for this Optional Extension for any one event.</p>
<p>6. Specified suppliers</p> <p>We will extend cover to pay loss of income that results from interruption or interference with your operations caused by insured damage to property located in Australia of your specified supplier shown in your certificate of insurance or to the property of any of their direct suppliers.</p>	<p>a) more than the percentage of the limit of liability or amount shown in the certificate of insurance for this Optional Extension for any one event.</p>

Specific Condition applicable to Income Protection Section

In respect of loss of *income* if the amount declared for *income* is less than 80% of the actual *income* for the year immediately prior to the date of the commencement of the *period of insurance*, *we* will pay the proportion of the *claim* that the declared amount of *income* bears to eighty per cent (80%) of the actual *income*;

Provided that this clause will not apply if *your*:

- a) projected *income* that *your operations* would have earned in the *indemnity period* stated in the *certificate of insurance* if the *insured damage* had not occurred, is less than the declared *income*;
- b) *claim* is less than 10% of the *limit of liability*; or
- c) declared *income* stated in the *certificate of insurance* has been calculated using a Business Interruption Calculator approved by *us*.

Part B: General Liability

Specific Provisions applicable to Part B: General Liability

Public Relations Expenses

We will pay, up to a limit of \$100,000 in any one *period of insurance* and in the aggregate for all *claims* arising in respect of the same event or *occurrence*, for the reasonable fees, costs and expenses of public relations consultants appointed with *our* consent, which shall not be unreasonably withheld to provide public relations services in connection with any event or *occurrence* involving a *claim* or *claims* covered under General Public and Products Liability Section where such expenses are not otherwise insured under this Section subject to the Section *limit of liability* not being exceeded. If *you* are also insured under any of the Sections in Part C: Organisation Liability, this benefit is not cumulative.

Specific Definitions applicable to Part B: General Liability

In addition to the words or phrases shown as General Definitions, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General Definition for the same word or phrase which is inconsistent, the following specific definition will prevail in this Part.

advertising injury means:

- a) libel, slander, defamation; or
- b) infringement of any patent, copyright, title, logo, design or trademark; or
- c) unfair competition, misappropriation of advertising ideas, passing off of style of doing business; or
- d) invasion of privacy; or
- e) any breach of the misleading or deceptive conduct provisions of the Competition and Consumer Act 2010 (Cth) or Schedule 2 to the Competition and Consumer Act 2010 (the Australian Consumer Law) or any Fair Trading or similar legislation of any Country, State or Territory;
committed or alleged to have been committed during the *period of insurance* in any advertisement, publicity article, broadcast or telecast and arising out of *your* advertising or promotional activities or any activities conducted on *your* behalf in the course of advertising or promoting *your products*, goods or services.

claim means any writ, summons, application, or other originating legal or written demand or arbitral proceedings, cross claim or counter-claim alleging any liability from an occurrence issued against and served upon *you* or any insured person who is entitled to indemnity under this *policy*.

Client Protection Policy means *your* written policy outlining the procedures for the prevention, reporting and investigation of injury to *your* clients including ***sexual abuse*** in *your operations*.

geographic limits means anywhere in the world excluding the United States of America (the USA) or Canada provided that if *you* have no legal presence, whether by an attorney or registered company, parent company or ***subsidiary*** company in the USA or Canada, the ***geographic limits*** shall include these countries but only in respect of:

- a) ***your products*** exported to the USA or Canada without *your* knowledge or the knowledge of *your* agents or ***employees***; or
- b) visits for the benefit of the conduct of *your operations* by *your* directors, officers, ***officials***, ***employees*** or ***volunteers*** normally resident in Australia not involving manual labour during such visits.

general liability means *your* legal liability covered by this Section but not arising out of or in respect of ***your products***.

limit of liability means the amount shown in the ***certificate of insurance*** which is the maximum amount *we* will pay for any one ***claim***.

occurrence means an event or series of events, including continuous or repeated exposure to substantially the same general conditions, which results in ***personal injury*** or ***property damage*** or ***advertising injury*** neither expected nor intended from *your* standpoint. All ***personal injury*** or ***property damage*** attributable to one source or original cause shall be deemed to be the result of one ***occurrence***. All ***advertising injury*** arising out of the same injurious material or act, regardless of the frequency or repetition thereof, the number and kind of media used or the number of claimants, shall be deemed to be the result of one ***occurrence***.

reasonable suspicion means fair and practical reason to believe an incident involving ***sexual abuse*** has occurred.

tool of trade means in the case of a ***vehicle*** fitted with an item of mechanical, hydraulic and/or pneumatic plant, use of the plant for the purpose for which the item was designed, devised or constructed and not being use of the ***vehicle*** solely as a mode of conveyance.

you, your, yours means:

- a) the persons, entities or ***organisations*** named as the insured in the ***certificate of insurance*** and in the General Definitions applicable to all Sections of the ***policy*** of *you, your* and *yours*; and
- b) the ***officials***, ***employees*** and ***volunteers*** of the party or parties designated above but only whilst acting within the scope of their duties in such capacity;
- c) any ***official***, member or ***volunteer*** of:
 - i. social and sporting clubs;
 - ii. canteen and welfare ***organisations***;
 - iii. first aid, fire and security services;
 - iv. residents associations; or

v. **committees**,

which are incidental to **your operations**, formed with the consent of and operating under the control and supervision of the **insured** designated in a) above but only whilst such **person** is performing duties or activities in connection with such clubs, **organisations**, services, **committees** or associations;

- d) any principal in respect of his/her/its liability arising out of the performance by the insured designated in a), b) or c) above of any contract or agreement for such principal, but only to the extent required by such contract or agreement;
- e) any **patient** at the **location(s)** or within the **geographic limits** where activities are conducted on **your** behalf.

General Public and Products Liability Section

This Section only forms part of **your policy** when General Public and Products Liability Section is shown in **your certificate of insurance**

What is covered

We will cover **you** against **your** legal liability to pay **compensation** in respect of:

1. **personal injury**; and/or
2. **property damage**; and/or
3. **advertising injury**;

happening within the **geographic limits** and caused by an **occurrence** in connection with **your operations** or **your products** during the **period of insurance**.

The costs of any first aid rendered to persons who suffer **personal injury** at the time of an **occurrence** will also be covered.

What is not covered

In addition to the General Exclusions applicable to all Sections of this **policy**, we will not cover **you** under this Section for any liability to pay **compensation** directly or indirectly caused by or contributed to by or resulting from or arising out of or in connection with:

1. **Aircraft**

- a) the ownership, possession, manufacture, maintenance, repair, operation or use by **you** of any **aircraft**;
- b) the operation of any **aircraft** landing pad or strip, airfield or airport;
- c) the use of **your products** with **your** knowledge:
 - i. as **aircraft** component parts used for maintaining an **aircraft** in flight or moving upon the ground;
 - ii. for incorporation into the hull, controls or machinery of any **aircraft**;
- d) the fuelling or refuelling of any **aircraft** by **you** or on **your** behalf.

2. **Advertising Injury**

advertising injury caused by or resulting from:

- a) any statements or publication, including those which are defamatory or malicious, made by **you** or at **your** direction with knowledge of the falsity thereof;
- b) any mistake in the advertised price of **your products** or services;
- c) any failure of **your products** or services to conform with advertised or represented performance, quality, fitness or durability;
- d) any incorrect description of **your products** or services;
- e) any deliberate breach of copyright, infringement of any trademark, service mark, or trade name on any of **your products** or services, including any passing off of **your products** or services as those of a **third party**;
- f) any conduct, activity or failure to act by any insured **organisation** or entity whose principal business is advertising, broadcasting, publishing or telecasting;
- g) any breach of contract, but this exclusion shall not apply to misappropriation of advertising ideas under an implied contractual term.

3. **Asbestos**

asbestos in whatever form or quantity but this exclusion shall not apply to any **claim** for **personal injury** or **property damage** arising from a negligent act committed by **you** that is totally unrelated to the inherently hazardous nature of **asbestos**.

4. **Building Demolitions or Construction Work**

demolition or construction work (including additions or alterations to or erection of buildings), except demolition, construction, alterations and additions not exceeding 12 metres in height and/or not exceeding \$500,000 or any other such amount specified in the **certificate of insurance** for the total cost of the job or project.

5. Contractual Liability

- a) any liability or obligation assumed by **you** under any contract, warranty or agreement unless such liability or obligation:
 - i. would have attached to **you** in the absence of such contract, warranty or agreement;
 - ii. arises under any written rental, lease or hiring agreements of real or personal property, other than with respect to any term or condition contained in such rental, lease or hiring agreement that requires **you** to insure such property;
 - iii. arises under a warranty of fitness of **your products** implied by law;
 - iv. arises under any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities;
 - v. arises under any contract, warranty or agreement to indemnify or not to seek contribution, recovery or indemnity from a Statutory Authority, Government Agency or Government Department, provided the agreement relates to the provision of goods, services, facilities and/or funding relating to **your operations**;
- b) any liability or obligation assumed by **you** under any other contract, warranty or agreement not mentioned in 5. a) v. above unless specified in the **certificate of insurance** as having been agreed by **us**.

6. Employer's Liability and Employment Practices

- a) any **personal injury** to any **employee** in respect of which **you** are or would be entitled to indemnity under any policy of insurance, fund, scheme or self-insurance pursuant to or required by any legislation relating to workers compensation or accident compensation whether or not such policy, fund, scheme or self-insurance has been effected, provided that this Section will respond to the extent that **your** liability would not be covered under any such policy, fund, scheme or self-insurance arrangement had **you** complied with its obligations pursuant to such law;
- b) any liability imposed by the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination or contract of employment or workplace agreement;
- c) any mental anguish suffered by any **employee** arising out of or in the course of his/her employment by **you**;
- d) any **personal injury** arising out of the harassment, libel, slander, defamation or humiliation of, victimisation of, or **discrimination** against, any **employee** whilst in **your** employment; or
- e) the hiring, promotion, alleged wrongful or unfair dismissal, misleading representation, or advertising, demotion of, or **discrimination** against an **employee**.

7. Exports to and Goods Manufactured in the United States of America and/or Canada

your products if they are:

- a) manufactured, constructed, installed, erected, assembled, maintained, amended, enhanced, altered or otherwise processed, serviced, repaired or treated by **you** in the United States of America and/or Canada; or
- b) sold, supplied or distributed in the United States of America and/or Canada;

provided that this Exclusion shall not apply to any **claim(s)** in connection with **your products** exported to the United States of America and/or Canada without **your** knowledge.

8. Faulty Workmanship

- a) the performing, completing, correcting, modification, repairing, re-doing, replacing, reinstallation or improving of any work or service undertaken by **you** or on **your** behalf. This exclusion shall not apply to liability to pay **compensation** for damage to other property resulting from such work or service;
- b) the adjustment, disposal, repair, reconditioning, removal or replacement of **your products** or in making any refund on the price paid for any of **your products**.

9. Fines and Penalties

any fines, **penalties**, punitive, exemplary, aggravated, liquidated or multiplication of compensatory damages, taxes, levies, imposts or duties imposed by a court of law or under any statute, regulation or other legislation except to the extent that cover is provided under Automatic Extension Indemnifiable Fines and Penalties of this Section.

10. Fraud and Dishonesty

- a) any intentional or wilful act or failure to act, or any fraudulent or dishonest act by **you, your officials, employees** and **volunteers** except as where specifically provided for; or
- b) any **official** having improperly benefited from **securities** transactions as a result of information that was not available to other sellers and/or purchasers of such **securities**; or
- c) any **official** having gained any personal advantage to which he/she was not legally entitled;

provided this exclusion shall only apply to the extent that the **officials'** relevant conduct has been established by a judgment or other final adjudication, and the act was conducted with **your** knowledge, approval and consent.

11. Geographic Limits

- a) any **claim** made and/or legal action or proceeding instituted within the United States of America and/or Canada or any other territory coming within the jurisdiction of the courts of the United States of America and/or Canada;
- b) any **claim** made and/or legal action or proceeding to which the laws of the United States of America and/or Canada apply;
- c) any **claim** made and/or legal action or proceeding instigated within any country, state or territory outside Australia that requires insurance to be arranged or secured with an insurer or organisation licensed in that country, state or territory to grant such insurance;

provided that clauses (a) and (b) shall not apply to any **claim(s)** in connection with **your products** exported to the United States of America and/or Canada without **your** knowledge.

provided that these Exclusions shall not apply to such **claim** and/or legal action or proceeding arising from the temporary presence outside Australia of any person who is not performing any manual or supervisory work whatsoever whilst in the United States of America and/or Canada or any other territory coming within the jurisdiction of the courts of the United States of America and/or Canada.

12. High Risk Activities

- a) any of **your operations** or any other activities organised by **you** which involve any of the following: motor races, motor rallies, motor speed tests, canyoning, caving, rifle/firearms, shooting, aircraft, hang gliding, parachuting, para gliding, white water canoeing/kayaking/rafting (above class 2 rapids), scuba diving, dune buggies, vertical and horizontal bungee jumping, hot air ballooning, gladiator games, unsupported rock climbing, go karts, motocross, martial arts or boxing activities.

Provided that this Exclusion (a) shall not apply to such of the above activities that **we** have agreed by **endorsement** to this Section to cover subject always to the terms and conditions of the **endorsement** and the terms, conditions and exclusions of this Section and to the **limit of liability** specified in the **certificate of insurance**.

- b) any of **your operations** or any other activities organised by **you** which involve the use of mechanical amusement devices or rides involving animals.

Provided this Exclusion (b) shall not apply to **your** vicarious liability arising from the hire and use of such devices or animals from other parties provided that **you** have obtained certificates of insurance confirming such parties hold valid liability insurance policies covering them for a minimum of \$10,000,000 any one **occurrence**.

Provided this Exclusion (b) shall not apply to model railways used for amusement rides or coin operated amusement rides that are fitted to the ground surface, operate at low speed, are designed for young children and used under adult supervision.

13. High Hazard Products

any of **your products** that are:

- a) veterinary **products** which are required to be prescribed and administered by a qualified veterinarian;
- b) fireworks, ammunition, fuses, cartridges, gun powder, nitro-glycerine or any explosives (other than the sale or supply of fertiliser, fuel, or ammonium nitrate provided it is incidental to **your** main operation);
- c) medicines which are required to be prescribed by a registered **medical practitioner**;
- d) herbicides, insecticides, defoliant or stock feed;
- e) tobacco;
- f) blood and/or blood components as defined within the Therapeutic Goods Act 1989 (Cth); or
- g) second-hand electrical goods unless appropriately tested and certified as complying with any applicable legislation, regulations or standards.

14. High Hazard Operations

any of **your operations** that involve:

- a) the manufacture, storage, filling, breaking down or transport of fireworks, ammunition, fuses, cartridges, gun powder, nitro-glycerine or any explosives unless purely incidental to **your** main **operations**;
- b) the manufacture, storage, filling, breaking down or transport of gases and/or air under pressure in containers, other than the storage and transport of:
 - i. butane or other cooking gases when contained in low pressure containers; and
 - ii. medical gases used in health care facilities or by organizations that provide assisted living care subject to the storage and transport of medical gases being compliant with Australia safety standards; or
- c) the manufacture, importing or exporting of **vehicles**.

15. Information Technology

- a) **your** use or design of computer systems or programs but this exclusion shall not apply to liability to pay **compensation** arising out of:
 - i. **your** normal everyday use of the internet for email, intranet and associated activity;
 - ii. any material on **your** website in support of **your products** or services;
- b) any damage to any computer, computer data, programs or storage media involving the use or provision by **you** or on **your** behalf of:

- i. any computer hardware or software;
 - ii. any computer or telecommunications services; or
- c) any computer hardware or software of any *third party*, whether authorised or unauthorised, including any damage caused by any *cyber-attack*.

16. Liability outside scope of operations

- a) any liability assumed by *you* outside the normal course of the *operations*;
- b) any breach of duty by *you*, an *official*, *employee* or *volunteer* where the act, error or failure to act out of which such breach of duty arose occurred or was committed as an *official*, *employee* or *volunteer* of any other corporation or incorporated body.

17. Loss of Use

loss of use of tangible property which has not been physically *damaged* or destroyed resulting from:

- a) a delay in or lack of performance by *you* or on *your* behalf of any contract or agreement;
- b) the failure of *your products* to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by *you*.

provided that this Exclusion (b) shall not apply to the loss of use of other tangible property resulting from the sudden, unexpected and unintended physical damage to or destruction of *your products* after such *products* have been put to use by any person or organisation other than *you*.

18. Pollution

- a) the discharge, dispersal, release, seepage, migration or escape of *pollutants* into or upon land, the atmosphere, or any water course or body of water;
- b) the removal, nullification or cleaning up of *pollutants*;
- c) the prevention of the escape of *pollutants*;

provided that these Exclusions shall not apply to liability to pay *compensation* which arises from a sudden, identifiable, unintended and unexpected event referred to above which takes place in its entirety at a specific time and place within one *period of insurance* outside the United States of America and/or Canada.

19. Product Defect

property damage to *your products* if the damage arises from:

- a) any defect contained within *your products*;
- b) *your products'* harmful nature or unsuitability for intended purpose; or
- c) *your products'* inherent ineffectiveness;

provided that this Exclusion shall not apply to any resultant *damage* to *third party* goods caused by *your products* that are found to be defective, harmful, unsuitable or ineffective.

20. Product Recall

the withdrawal, recall, inspection, repair, replacement or loss of use of *your products* or any property of which they form a part, if such *products* or property are withdrawn from the market or from use by *you* because of any known or suspected defect, deficiency, inadequacy or dangerous conditions in them.

21. Professional Liability

- a) the rendering of or failure to render professional advice or service by any *medical practitioner*, midwife or *registered health professional* who is required to have Professional Indemnity Insurance in order to be registered as defined by the *National Law* for any error or failure to act connected therewith or any *claim* made against any such person;

provided that this exclusion shall not apply to *your* vicarious liability arising from the appointment or engagement of such *medical practitioner*, midwife or *registered health professional*.

- b) the rendering of or failure to render professional advice or service by *you* or any error or omission connected therewith, except to the extent that cover is provided under Automatic Extension Counselling Services of this Section;
- c) the rendering of or failure to render *counselling services* by *you* or by anyone appointed or authorised by *you*, or any error or omission connected therewith, except as provided in Automatic Extension Counselling Services of this Section.

22. Property in Physical or Legal Control

any *property damage* to:

- a) property owned by *you*;
- b) property undergoing any process or being worked on by *you*; or;
- c) property in *your* physical or legal control;

provided that this exclusion shall not apply to **property damage** to:

- a) leased or rented **location(s)** (including fixtures and fittings) not owned by **you**;
- b) **location(s)** at which **you** are undertaking work in connection with **your operations** and the content of such **location(s)** which are in **your** physical or legal control;
- c) **vehicles** (including spare parts and accessories thereon) not belonging to or used by **you** in connection with **your operations** whilst within a car park belonging to or under **your** control, provided the car park is not used for any commercially operated carpark where a fee is charged or motor trade purposes;
- d) property belonging to any persons authorised to be on **your location(s)** for the **limit of liability** as specified in **your certificate of insurance**;
- e) any other property not mentioned in clauses (a) to (d) above which is in **your** physical or legal control and in which case **our limit of liability** for any one **claim** arising from any one **occurrence** and in the aggregate for all such **claims** in any one **period of insurance** will be limited to \$250,000 or any other such amount specified in **your certificate of insurance**.

23. Sexual Abuse

any actual or alleged **sexual abuse**, except where cover is provided under Optional Extension Sexual Abuse of this Section and **you** have paid the required additional premium.

24. Specific Medical/Dental Procedures

- a) the performance of any tracheostomy, provided this exclusion shall not apply to the activities associated with tracheostomy care;
- b) the provision of general anaesthesia;
- c) the performance or recommendation of any operation to produce sterility, unless pathologically indicated;
- d) the use of drugs for weight reduction; or
- e) the performance by dentists and dental surgeons of any procedure carried out under general anaesthetic.

25. Vehicles

the ownership, possession, maintenance, operation or use by **you** of any **vehicle**:

- a) which is registered or required to be registered by virtue of any legislation (whether or not such registration has been effected or renewed); or
- b) in respect of which compulsory statutory liability or motor accident **compensation** indemnity insurance is required by virtue of any legislation (whether or not such insurance has been effected or renewed or its terms and conditions complied with);

provided always that these exclusions shall not apply to claims:

- a) for **personal injury** where such compulsory statutory liability or motor accident **compensation** indemnity insurance scheme:
 - i. does not indemnify **you** for such liability;
 - ii. does not provide indemnity for such liability for reasons that do not involve a breach by **you** of the relevant legislation or **your** failure to lodge a **claim** against the particular scheme;
- b) caused by or arising from the operation or use of any **vehicle** which is designed primarily for lifting, lowering, loading or unloading, while being operated or used by **you** or on **your** behalf within the confines of **your location**;
- c) arising out of the loading or unloading of goods to or from a **vehicle**;
- d) arising from the use of a **vehicle** as a **tool of trade**;
- e) for **property damage** arising out of the movement by **you** of any **vehicle** not belonging to **you** which is interfering with access to or from **your location** or any site where **you** are carrying out work; or
- f) liability which attaches to **you** by reason of the operation or use of a **vehicle** belonging to **you** by any person without **your** consent and for which **you** have no indemnity under any other policy of insurance.

26. Watercraft

the ownership, possession, manufacture, maintenance, repair, operation or use by **you** of any **watercraft** exceeding 15 metres in length, other than **your** liability arising out of the use of:

- a) **watercraft** operated and owned by others and used by **you** for business entertainment;
- b) floating jetties and/or floating pontoons and/or buoys.

How much we will pay

Except where **we** agree otherwise in writing, the cover **we** provide under this Section shall not exceed the applicable **limit of liability** shown below or in the **certificate of insurance** for any one occurrence.

For legal liability arising out of **your products**, Automatic Extensions and Optional Extensions, the maximum **we** will pay in respect of any one **claim** or series of **claims** arising out of any one **occurrence** and in the aggregate for all such **claims** during any one **period of insurance** is the **limit of liability** specified below or in the **certificate of insurance**.

We will make the following payments (the Additional Payments) in addition to the **limit of liability** or any sub-limit of liability applicable under this Section:

1. All reasonable **defence costs** incurred with **our** prior consent even if any of the allegations of such **claim** or suit is groundless, false or fraudulent. Our consent shall not be unreasonably withheld. Such costs may include but are not limited to:
 - a) the legal costs incurred by you with our consent for representation at any Coronial Inquiry, any proceedings in any court or tribunal, any Royal Commission or Government Inquiry arising out of any alleged breach of statutory duty, or other similar judicial inquiry into circumstances relating to any occurrence, **claim** or potential **claim** which would be the subject of indemnity under this Section;
 - b) loss of salaries or wages net of taxable income because of your attendance at hearing or trials at our request, subject to such loss not being recoverable from any other source.
2. All expenses incurred by **you** for emergency first aid rendered to third parties at the time of an **occurrence** covered by this Section.
3. The expenses incurred by **you** associated with purchasing and/or hiring and/or erection and dismantling of hoarding, barriers, fences and any other form of temporary protection, including such protection which **you** must provide in compliance with the requirements of any Government, Local Government or other Statutory Authority to avoid further injury or damage as a result of an occurrence covered by this Section.

Provided always that:

1. where the amount required to settle a **claim** exceeds the **limit of liability** or applicable sub limit of liability, **our** liability to make the Additional Payments will be limited to that proportion of the Additional Payments as the **limit of liability** or sub-limit of liability bears to the amount required to settle the **claim**; and
2. the Additional Payments made in connection with **claims** and/or actions instituted against **you** in the United States of America and/or Canada or to which the laws of the United States of America and/or Canada apply will form part of the **limit of liability** or applicable sub-limit of liability and will not be additional to the **limit of liability** or applicable sub-limit of liability.

Automatic Extensions

Under this Section:

We will also cover:	We will not:
<p>1. Counselling Services</p> <p>Your legal liability to pay compensation in respect of personal injury caused by any act, error or omission committed or alleged to have been committed during the period of insurance by anyone appointed or authorised by you to provide counselling services in connection with your operations.</p> <p>This Extension covers any persons appointed or authorised by you to provide counselling services separately in the same manner and to like extent as though cover under this Extension had been issued in their separate names but subject always to the terms and conditions of this policy and our sub limit of liability not being increased.</p> <p>For the purposes of this Extension:</p> <ol style="list-style-type: none"> a) all causally connected or interrelated acts, errors or omissions shall jointly constitute a single act, error or omission; b) where a single act, error or failure to act gives rise to more than one claim, all such claims shall jointly constitute one claim. <p>NOTE:</p> <p>It is a condition of the cover under this Extension that you must take all reasonable care and diligence in the selection, appointment and supervision of persons undertaking counselling services on your behalf.</p>	<ol style="list-style-type: none"> a) pay more than \$1,000,000 (including defence costs) or any other such amount specified in the certificate of insurance for any one claim and in the aggregate for all claims in any one period of insurance.

<p>2. Indemnifiable Fines and Penalties</p> <p>Notwithstanding What is not covered Fines and penalties and on the basis that you do not have a Directors or Officers, Management Liability or similar contract of insurance, we will indemnify you against any penalty insurable at law and payable by you upon conviction for an offence under the Education and Care Services National Regulations (2011) arising from criminal proceedings:</p> <ul style="list-style-type: none"> a) first brought against you during the period of insurance; and b) notified to us during the period of insurance; and c) which arises from a wrongful act committed or alleged to have been committed by you. <p>Compensation under this Extension shall mean any monies payable or agreed by us to be paid (including damages) by judgment, award or settlement including all charges, expenses and legal costs recoverable from you. It does not include the costs of complying with any non-monetary relief.</p>	<ul style="list-style-type: none"> a) provide indemnity for any penalty arising out of your failure to comply with any lawful consent, demand, determination, notice, order, or the like issued under the Education and Care Services National Regulations (2011); b) pay more than \$100,000 (including defence costs) any one period of insurance.
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Optional Extensions

Applicable to General Public and Products Liability only if shown on **your certificate of insurance**.

What is covered:	What is not covered:
<p>1. Sexual Abuse</p> <p>Your legal liability to pay compensation in respect of personal injury for sexual abuse first committed or alleged to have been committed during the period of insurance where the perpetrator of the sexual abuse was</p> <ul style="list-style-type: none"> a) a representative, member, employee, volunteer or service provider of yours; and b) you had in place the necessary client protection policy required by us and/or by legislation to limit or prevent such abuse. <p>Provided always that:</p> <ul style="list-style-type: none"> a) this Extension does not provide cover to the actual or alleged perpetrator of any sexual abuse. b) if one person suffers sexual abuse on more than one occasion, then all acts of sexual abuse of this person are to be treated as one occurrence notwithstanding that they occurred within different periods of insurance. c) the date of the first incidence of sexual abuse against a person is deemed as the date of the occurrence for the purposes of this policy. 	<p>any liability to pay compensation where;</p> <ul style="list-style-type: none"> a) the sexual abuse is committed with your consent or knowledge. b) the sexual abuse is committed by you against any official or employee. c) any of your officials knew or ought reasonably to have known that the actual or alleged perpetrator of the sexual abuse had previously: <ul style="list-style-type: none"> i. committed sexual abuse; and/or ii. been convicted of committing sexual abuse; and/or iii. whilst being a representative, member, employee, volunteer or service provider of yours, been the subject of a prior complaint or reasonable suspicion in respect of a sexual abuse which had not been dealt with by you in accordance with your client protection policy. d) you have engaged or appointed the actual or alleged perpetrator of the sexual abuse as a new contractor to perform duties on your behalf, employee or volunteer, without making the investigations required under any legislation and pursuant to your client protection policy. e) the amount of the compensation exceeds the limit of liability specified in your certificate of insurance for sexual abuse.
<p>2. Replacement Wages of Stood Down Staff</p> <p>Reimbursement of additional salary/wages associated with engaging an additional staff member to replace an existing staff member who has been stood down whilst being investigated for allegations of sexual abuse.</p> <p>Provided that:</p> <ul style="list-style-type: none"> a) you have selected Optional Extension Sexual Abuse of this Section and that the alleged sexual abuse is not excluded as detailed under What is not covered in Optional Extension Sexual Abuse. b) cover only applies to the additional wages/salary costs incurred by you whilst the investigation is taking place and whilst both employees remain on your payroll. 	<ul style="list-style-type: none"> a) any costs beyond those incurred within a three month period from the date of the commencement of the investigation; b) more than \$20,000 for any one claim and in the aggregate for all claims in any one period of insurance.

<p>3. Retroactive Liability (Prior Claims Made)</p> <p>We will indemnify you against your legal liability to pay compensation as a result of any claim first made against you and notified to us in writing during the period of insurance, happening within the geographic limits and caused as a result of an occurrence in connection with your occupation or your products during the retroactive liability period immediately preceding the inception of this policy.</p> <p>For the purpose of this Extension, the following Definitions apply:</p> <p>a) known circumstance means any fact, situation, event or circumstance which you were aware of prior to the start of the period of insurance and which may result in a claim of a nature covered by this optional extension.</p> <p>b) retroactive liability period means the period of time from the retroactive date to the start of the period of insurance.</p> <p>NOTE:</p> <p>a) If this Extension is applied to sexual abuse cover as shown in the certificate of insurance, this Extension does not provide cover to the actual or alleged perpetrator of any sexual abuse.</p> <p>b) If one person suffers sexual abuse perpetrated by a representative, member, employee, volunteer or service provider of yours on more than one occasion, then all acts of sexual abuse of this person (whether or not the perpetrator of the sexual abuse on each occasion was the same perpetrator) are to be treated as one occurrence notwithstanding that they occurred within different periods of insurance.</p>	<p>a) any event or circumstance if you had no insurance policy in force at the time of the occurrence;</p> <p>b) a claim or claims arising from any known circumstance;</p> <p>c) any event or circumstance if written notice of such has been given and accepted under any public and/or products policy the term of which had expired prior to the inception of this policy;</p> <p>d) any event or circumstance where you would be entitled to indemnity under this policy solely by reason of the operation of this retroactive liability (prior claims made) Extension and you would also have been entitled to indemnity under the prior claims made insurance or other liability insurance policy at the time of the occurrence, but are prevented from doing so by reason of, but not limited to:</p> <p>i. the inability to recover losses by virtue of exclusions or any other condition under the prior Public and/or Products or other liability policy;</p> <p>ii. the inability to recover the full amount of loss by virtue of inadequate limits under the prior Public and/or Products or other liability policy, or;</p> <p>iii. the failure of your past insurers.</p> <p>e) our liability under this Retroactive Liability (Prior Claims Made) Extension shall not exceed the cover, limit of liability and aggregate limit of liability provided by your previous insurer and insurance policy at the time your previous insurance policy was replaced by this policy and is stated in your certificate of insurance under this Retroactive Liability (Prior Claims Made) Extension;</p> <p>f) our limit of liability in respect of any sexual abuse claim shall not exceed limit of liability as stated in your certificate of insurance, for sexual abuse under this Retroactive Liability (Prior Claims Made) Extension plus costs with an aggregate of \$2,000,000 any one period of insurance;</p> <p>g) if this Extension is applied to sexual abuse cover, as stated in the certificate of insurance, all conditions which apply to Optional Extension Sexual Abuse also apply to this Optional Extension.</p>
<p>4. Member to Member Liability</p> <p>The definition of you, your, yours is extended to indemnify all members of your organisation, your guests and visitors to your organisation in respect of claims against any of them by any other member or guest or visitor to the organisation arising in connection with the activities of the organisation.</p> <p>Provided this Extension is subject always to the standard policy terms, conditions and exclusions.</p>	

5. Trauma Counselling Costs Extension

Reimbursement of *your* costs to provide trauma counselling services to insured persons, *employees* or members of the public who have witnessed the accidental, unexpected and unforeseen traumatic death or significant physical impairment of a person on *your* premises or in *your* care.

Provided that:

- a) the trauma counselling services are deemed necessary in the reasonable opinion of *your* managing director or chief executive officer to prevent damage to *your* reputation and/or to assist with prevention of long term psychological disorders;
- b) the trauma counselling services are being provided by a professional Trauma Counselling Service provider, independent to the insured; and
- c) the trauma counselling service provider is engaged within a 30 day period immediately following the day on which the event occurred.

- a) more than \$10,000 for any one *claim* and in the aggregate for all *claims* in any one *period of insurance*.

Specific Provisions applying to Optional Extension 3 – Retroactive Liability (Prior Claims Made)

Claims made insurance

Optional Extension Retroactive Liability operates on a 'claims made and notified' basis. This means that where this Optional Extension is selected and is shown on *your certificate of insurance*, you are covered for:

- a) *claims* first made against *you* and notified to *us* during the *period of insurance* provided that *you* were not aware at any time prior to the start of the *period of insurance* of any fact, situation, event or circumstance which could lead to a *claim* being made against *you*; and
- b) *claims* first made against *you* after the *period of insurance*, provided that the facts that gave rise to the *claim* are facts *you* first became aware of during the *period of insurance* and *you* notified *us* in writing of those facts during the *period of insurance*.

Extended claim and reporting period

If *we* refuse at expiry of this insurance to offer any renewal terms and conditions, *you* and any *insured person*, shall jointly (but not separately) have the right to request prior to the expiry of the *period of insurance* and upon payment of the required additional premium an *endorsement* to the *policy* providing for:

- a) an extension of the extended notification period to a period being the period of 12 months immediately following the expiry of the *period of insurance*; and
- b) any *claim* made and reported to *us* during this endorsed extended reporting period being deemed to have been made and reported to *us* immediately prior to the expiry of the *period of insurance* provided that the *claim* arises in respect of:
 - i. *personal injury*; and/or
 - ii. *property damage*; and/or
 - iii. *advertising injury*;

happening within the *geographic limits* and caused as a result of an *occurrence* in connection with *your occupation* or *your products* during the *retroactive liability period* immediately preceding the inception of this *policy*.

Run-off after merger or consolidation

If, during the *period of insurance*, any of the following events occur:

- a) *you* are subject to a merger, are consolidated with or become the subsidiary of another incorporated organisation; or
- b) *you* sell all or substantially all *your* assets to another incorporated organisation;

then *you* shall have the option to:

- a) an extension of the extended notification period to a period of twelve (12) months immediately following the expiry of the *period of insurance*; and
- b) any such *claim* made and reported to *us* during this extended notification period shall be deemed to have been made and reported to *us* immediately prior to the expiry of the *period of insurance* provided always that the *claim* arises in respect of:
 - i. *personal injury*; and/or
 - ii. *property damage*; and/or
 - iii. *advertising injury*;

happening within the *geographic limits* and caused as a result of an *occurrence* in connection with *your occupation* or *your products* during the *retroactive liability period* immediately preceding the inception of this *policy*.

Provided always that:

- a) the right to this Automatic Extension is exercised in writing prior to the expiry of the *period of insurance*;
- b) there has been and is no *known circumstance* or *claim* against any insured or insured person to which the Section may respond; and
- c) *you* agree to pay each year the premium *we* require.

Part C: Organisation Liability

This Section only forms part of *your policy* when Part C: Organisation Liability is shown in *your certificate of insurance*

Specific Provisions applicable to Part C: Organisation Liability

Claims made insurance

Part C: Organisation Liability operates on a 'claims made and notified' basis. This means that you are covered for:

- a) *claims* first made against *you* and notified to *us* during the *period of insurance* provided that *you* were not aware at any time prior to the start of the *period of insurance* of any fact, situation, event or circumstance which could lead to a *claim* being made against *you*;
- b) *claims* first made against *you* after the *period of insurance*, provided that the facts that gave rise to the *claim* are facts you first became aware of during the *period of insurance* and *you* notified *us* in writing of those facts during the *period of insurance*.

Public Relations Expenses

We will pay, up to a limit of \$100,000 in any one *period of insurance* and in the aggregate for all *claims* arising in respect of the same event or *occurrence*, for the reasonable fees, costs and expenses of public relations consultants appointed with *our* consent, which shall not be unreasonably withheld, to provide public relations services in connection with any event or *occurrence* involving a *claim* or *claims* covered under Professional Indemnity Section or Management Liability Section of this Part C where such expenses are not otherwise insured under those Sections subject to the Section *limit of liability* not being exceeded. This benefit is not cumulative across the applicable Sections of Part C: Organisation Liability and General Public and Products Liability Section of Part B: General Liability.

Specific Definitions applicable to Part C: Organisation Liability

In addition to the words or phrases shown as General Definitions, whenever the following words appear in bold italics in this Part, they have the meaning shown below. If there is a General Definition for the same word or phrase which is inconsistent, the following specific definition will prevail in this Part.

business or practice means the business or practice conducted by the *insured* and described in the *certificate of insurance*.

extended notification period means the ninety (90) days immediately following the expiry of the *period of insurance* or such longer period as may apply pursuant to any applicable Extension.

regulatory authority means instrumentalities, entities or persons appointed to act pursuant to any Act of the Commonwealth of Australia or the States or Territories of Australia for the purposes of enforcement of such Act or any other Act.

Specific Conditions applicable to Part C: Organisation Liability

Confidentiality

Neither *you* nor an *insured person* shall disclose the nature of the liabilities covered by the Section(s) or the premium specified in the Section(s), unless required by law.

Investigatory costs and payments

Any costs incurred by *us* investigating any fact, situation or circumstance which may give rise to a *claim* shall be deemed for all purposes of that Section to be ***defence costs*** incurred under that Section.

Any amount paid by *us* in settlement of a dispute which may otherwise become a *claim*, shall be deemed for all purposes of that Section to be a ***loss*** incurred under that Section.

Senior counsel

Neither *we* nor *you* shall be required to contest or settle a *claim* unless a ***senior counsel*** shall advise such a *claim* should be contested or settled. In formulating his or her advice, the ***senior counsel*** must have regard to *your* prospects of successfully defending the *claim*, the likely damages awarded and costs recovered by the claimant, and the likely ***defence costs*** associated with the *claim*.

We may nominate a ***senior counsel*** to provide the advice and *you* must notify *us* if *you* agree to the appointment of the individual nominated. If *you* do not agree to the appointment within a reasonably practicable time, ***senior counsel*** will be appointed by the president of the relevant bar association in the state or territory in which the *claim* has been made.

The costs of ***senior counsel*** are included in the ***defence costs*** in respect of the *claim*.

Election to contest claim

If *you* refuse to consent to any settlement recommended by *us* and elect to contest or continue any legal proceedings in connection therewith, *our* liability for the *claim* shall not exceed the amount for which the *claim* could have been so settled, less the applicable ***excess***, plus ***defence costs*** incurred up to the date of such refusal.

Additional Exclusions applicable to Part C: Organisation Liability

In addition to the General Exclusions applicable to all Sections and the Specific Exclusions stated in Professional Indemnity Section and Management Liability Section, in this Part *we* also do not cover *claims* arising from, attributable to or in connection with:

1. Asbestos

any liability for losses directly or indirectly arising out of or in connection with **asbestos** in whatever form or quantity but this exclusion shall not apply to any **claim** for **personal injury** which is totally unrelated to the inherently hazardous nature of **asbestos**.

2. Financial institutions

your operation of or involvement in the conduct of any merchant or investment bank, building society, credit union, finance company, insurance or reinsurance company, mortgage bank, savings or loan association, stock broker, fund manager, asset management company, superannuation fund or banking business as defined in the Banking Act 1959 (Cth.).

3. Fines penalties and exemplary damages

- a) any fine and/or **penalty** imposed by law;
- b) punitive, exemplary or aggravated or multiple damages;
- c) income tax and other fiscal taxes and duties or any surcharges/**penalties** applicable;

provided that this exclusion will not apply to cover provided under Insuring Clause 6 – Statutory Liability of Management Liability Section other than if the **penalty** is attributable to any circumstances of which **you** or the insured person were aware that may give rise to the imposition of a **penalty** and steps could have been taken after such awareness to avoid any liability to have a **penalty** imposed.

4. Pollution

the discharge, dispersal, release or escape of **pollutants** into or upon land, the atmosphere, or any watercourse or body of water; or

- a) the cost of removing, nullifying or cleaning up **pollutants**; or
- b) the cost of preventing the escape of **pollutants**;

provided this exclusion shall not apply to Automatic Extension Pollution Defence Costs of Management Liability Section.

5. Retroactive date

any act, error or omission occurring or committed prior to the **retroactive date**.

6. Waiver of rights

any liability for which **you** have at any time by deed or agreement forgone, excluded or limited a right of recovery.

Professional Indemnity Section

This Section only forms part of **your policy** when Professional Indemnity Section is shown in **your certificate of insurance**.

Specific Definitions applicable to Professional Indemnity Section

In addition to the words or phrases shown as General Definitions and Specific Definitions Applicable to Part C, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General Definition for the same word or phrase which is inconsistent, the following specific definition will prevail in this Section:

civil liability means any actual or alleged breach of a duty, misstatement or negligent act owed in a professional capacity under any form of civil law by **you** or any of **your employees** arising out of any act, error or omission occurring or committed in the conduct of **your operations**. It also extends to breach of contract and breach of fiduciary duty in **your** or any of **your employee's** professional capacity in the conduct of **your operations**.

claim means a demand or assertion of a right to **compensation** made by a **third party** which is contained in any oral or written demand and/or legal proceeding or process claiming **compensation** against and served on **you**.

documents means deeds, wills, agreements, maps, plans, records, written or printed books, letters, certificates, written or printed documents or forms of any nature, (excluding any bearer bonds, coupons, bank or currency notes or other negotiable instruments) not being **your** property but in **your** physical custody or control and for which **you** are legally responsible.

employee means a natural person (other than an **insured person**) employed under a contract of service or apprenticeship by **you** and includes any trainee, **volunteer**, casual, part-time, seasonal, temporary and work experience personnel. This definition does not include:

- a) any current or former principal, partner or director of the **insured**; or
- b) consultants, subcontractors or agents.

good Samaritan act means treatment administered at the scene of a medical emergency, accident or disaster, by **your employee**, who is present either by chance or in response to an S.O.S. call following a disaster.

insured person means:

- a) any predecessor in the business of the **insured**;
- b) any person who is, at inception of the **period of insurance**, a principal, partner or director of the **insured** but only in respect of work performed while a principal, partner or director of the **insured**;

- c) any person who becomes, during the *period of insurance*, an *employee* of the insured but only in respect of work performed while an *employee* of the *insured*;
- d) any former principal, partner, director or *employee* of the *insured*, but only in respect of work performed while such person was a principal, partner, director or *employee* of the *insured*; and/or
- e) any consultant, sub-contractor or agent but only to the extent that they are indemnified under Automatic Extension Consultants, Subcontractors and Agents.

limit of liability means the maximum amount payable by *us* in respect of each and every *claim* or *investigation*, the subject of cover under the *Section* specified in the *certificate of insurance*.

What is covered

1. Civil Liability

We agree to indemnify *you* for *loss* in connection with *your civil liability* to pay *compensation* (including claimant's legal costs and expenses), arising from any *claim* both first made against *you* and notified to *us* during the *period of insurance* in the conduct of the professional activities of *your operations*.

2. Supplementary Payments: Defence costs

We agree to pay *defence costs* in connection with the investigation, defence and/or settlement of any *claim* indemnified under Civil Liability and otherwise covered by this Section.

For the sake of clarity, the scope of cover under this Section includes:

1. Competition and Consumer Act 2010 (Cth)

Claims for *civil liability* for *compensation* resulting from any breach of the provisions of the Competition and Consumer Act 2010 (Cth) (formerly the Trade Practices Act 1974 (Cth), the Fair Trading Act 1987 (NSW) or similar legislation in other states, but not being *claims* arising:

- a) under the penal or criminal provisions of any of those statutes; or
- b) from your conduct or any of your employees which is fraudulent or intended to mislead or deceive.

2. Libel, slander, defamation

Any unintentional libel, unintentional slander or unintentional defamation committed by you or by any of *your employees* in the conduct of the professional activities of *your operations*.

3. Intellectual property

Any actual or alleged unintentional infringement of trademark, registered design, copyright or patent right or plagiarism or unintended breach of privacy or duty of confidentiality in the conduct of the professional activities of *your operations*.

4. Duties owed

Breach of fiduciary duty owed by the *insured* to a *third party* in the conduct of the professional activities of *your operations*.

5. Contractual liability

Contractual liability in the conduct of the professional activities of *your operations*, provided always that:

- a) *we* will not be liable to provide indemnity for any liability assumed by the *insured* under any contract unless such liability would have attached to the *insured* in the absence of such agreement; and
- b) where a *claim* is an alleged breach of contract *we* will not reduce *our* liability by the mere fact that contributory negligence is not available as a defence.

What is not covered

In addition to the General Exclusions applicable to all Sections of this *policy*, and Additional Exclusions applicable to Part C: Organisation Liability, *we* will not cover *you* under this Section for *claims* arising from, attributable to or in connection with:

1. Criminal acts, sterility, drugs and anaesthesia

- a) any criminal act or any act committed while in violation of any law or ordinance; or
- b) the performance or recommendation of any operation to produce sterility, unless pathologically indicated; or
- c) the use of drugs for weight reduction; or
- d) the performance by dentists and dental surgeons of:
 - i. general anaesthesia; or
 - ii. any procedure carried out under general anaesthetic.

2. Director's and officer's liability

any breach of duty by *you* or an *insured person* where the act, error or omission out of which such breach of duty arose, occurred or was committed in *your* or the *insured person's* capacity as an *official* of *your organisation* or any legal entity, corporation or other incorporated body.

3. Discrimination

actual or alleged unlawful **discrimination** (or other unlawful act, error or omission) by **you** or **your employees** against any **employee** or employment applicant.

4. Employer's liability

- a) the death, bodily injury, disease or illness of any **insured person** arising out of or in the course of or in respect of their employment; or
- b) a breach of any obligation owed by an **insured person** to an **insured person**.

5. Financial, legal and tax advice

the provision of any form of financial, legal or tax advice or information or opinion or failure to provide such advice or information.

6. Fraud and dishonesty

any dishonest, fraudulent, criminal or malicious breach of duty by **you** or **your employees**, or any person condoning such act, including a reckless disregard for the consequences, or any deliberate breach of any statute or regulation by **you** or an **insured person** with **your** knowledge, approval or consent.

7. Goods sold, stored, supplied or distributed

the sale, storage, supply or distribution of any good or product which arises directly from the conduct of **your operations**.

8. Industrial awards

liability to or caused by **your employees** imposed by the provision of any industrial award, agreement or determination.

9. Insolvency

the insolvency, liquidation, administration or receivership of an **insured**.

10. Intoxicants and drugs

services rendered by any person while that person is under the influence of intoxicants or drugs or from any failure to render services competently or at all because of such influence, if such services were performed with **your** knowledge or connivance.

For the purpose of this exclusion the term drug does not include pharmaceutical drugs prescribed by a registered **medical practitioner** to such person.

However this exclusion will not apply to the rendering of or failure to render first aid and assistance in an emergency situation or accident.

11. Investment performance/advice

- a) any investment advice or information or opinion regarding investment or failure to provide investment advice or information; or
- b) depreciation (or failure to appreciate) in value of any investments, including but not limited to **securities**, commodities, currencies, options and futures transactions.

12. Jurisdictional and territorial limit

- a) any action for **compensation** brought or first brought against **you** or **your employees** in the United States of America or Canada, or their territories or protectorates; or
- b) the enforcement of any judgement, order or award obtained within or determined pursuant to the laws of the United States of America or Canada, or their territories or protectorates.

13. Known circumstances or prior claims

any **claim**:

- a) first made against **you** or **your employees** prior to the inception of the **period of insurance**; or
- b) arising out of facts or circumstances which were known to **you** or **your employees** prior to the **period of insurance** and which a reasonable person in **your** position would have known might give rise to a **claim**; or
- c) notified under any insurance which was in force prior to the inception of the **period of insurance**.

14. Licensing inquiries

any prosecution, inquiry, hearing, commission or other **investigation** in relation to the **insured** failing to be properly licenced, registered or accredited to provide professional activities of **your operations** as required by any Acts, rules, regulations or industry codes of practice.

15. Manufacturing / construction / property development

- a) defects or alleged defects in any product manufactured, supplied, installed, assembled, erected or maintained by **you** or on **your** behalf; or
- b) any construction, assembly, installation, erection or maintenance; or
- c) supervision of construction, assembly, installation, erection or maintenance; or
- d) **your operations** as a property developer, construction manager or project manager.

16. Medical practitioners and health professionals

any *claim* made against any person who is:

- a) a *medical practitioner*, as defined under the *National Law*; or
- b) a self-employed *registered health professional* as defined under the *National Law*;

where the *claim* is in connection with such person acting in their capacity as *medical practitioner* or prescribed *registered health professional*.

However this exclusion will not exclude the vicarious liability which may attach to:

- a) *you*; or
- b) any *insured person* whilst acting in a capacity other than as a *medical practitioner*.

17. Related controlling interests and subsidiaries

work undertaken for on behalf of:

- a) any company or firm in which *you* or *your employees* exercise or have exercised a controlling interest; or
- b) *your* parent company (if any), any *subsidiary* company, or any other company in which *you* or *your* parent company has or has held at least a 20% financial interest;

unless such *claim* emanates from an independent *third party*.

18. Sexual abuse

any actual or alleged molestation or *sexual abuse*.

19. Trading debts, guarantees and professional fees

- a) any trading debt incurred, or any guarantee in respect of such debt given, by *you* or any *insured person*; or
- b) professional fees or charges rendered by *you*.

How much *we* will pay

1. The total amount payable by *us* under the Section shall not exceed the *limit of liability* for each and every *claim* and the *aggregate limit of liability* for all *claims* in the aggregate as set out in the *certificate of insurance*.
2. Unless otherwise specified in the *certificate of insurance* or by *endorsement* to this Section, the *limit of liability* specified in the *certificate of insurance* is exclusive of *defence costs* and *we* agree to pay *defence costs* in addition to the *limit of liability* Provided always that if a payment is made to dispose of a *claim* which is in excess of the *limit of liability* available under this Section, *our* liability for such *defence costs* shall be such proportion thereof as the *limit of liability* available under this Section bears to the amount paid to dispose of the *claim*.
3. For the avoidance of doubt, where the amount required to satisfy a *loss* exceeds the *limit of liability* shown in the *certificate of insurance* only the unexpired portion of the *aggregate limit of liability* shall remain available for cover subject to the terms and conditions of the Section.

Automatic Extensions

The Automatic Extensions below are subject to all of the terms and conditions of this Section including the *limit of liability*, the *aggregate limit of liability* and coverage as stated under What is covered.

1. Advancement of defence costs

If *we* elect not to take over and conduct the investigation, defence or settlement of any *claim*, *we* will pay all reasonable *defence costs* associated with that *claim* as and when they are incurred provided that:

- a) *we* have not denied indemnity for the *claim*; and
- b) *our* written consent, which shall not be unreasonably withheld, is obtained prior to *you* or the *insured person* incurring such *defence costs*.

We reserve the right to recover any *defence costs* paid under this Automatic Extension from *you* and/or an *insured person* severally according to the respective liabilities for such *defence costs*, in the event and to the extent that facts are subsequently established by judgment or other final adjudication which confirm that there was otherwise no entitlement to cover under the Section for such *defence costs*.

2. Claims preparation costs

We agree to pay on *your* behalf reasonable and necessary out of pocket costs incurred by *you* at *our* request in the preparation of the submission of a *claim* for cover under the Section and the submitted *claim* is covered under the Section.

Provided always that:

- a) the total *we* will pay under the Section under this Automatic Extension is sub-limited to \$25,000 in the aggregate. This sub-limit forms part of and is not in addition to the *limit of liability* and the *aggregate limit of liability*;

- b) notwithstanding the **excess** shown in the **certificate of insurance**, payment under this clause will be subject to an **excess** of \$1,000 each and every **claim**; and
- c) payments provided under this clause, shall not include any payments made under What is covered – Supplementary Payments : Defence Costs of the Section.

3. Consultants, subcontractors and agents

We agree to indemnify **you** in respect of any **claim** otherwise covered under the Section as a result of the conduct of any of **your** consultants, sub-contractors or agents for which **you** are legally liable in the conduct of the professional activities of **your operations**.

Furthermore **we** agree to indemnify any such consultant, sub-contractor or agent themselves, provided always that the relevant act, error or failure to act giving rise to the **claim** occurred:

- a) in the course of the conduct, by the consultant, sub-contractor or agent, of the professional activities and duties of **your operations** for and on behalf of **you**; and
- b) at the time when the consultant, sub-contractor or agent was under **your** direct control and supervision.

4. Continuous cover

Notwithstanding Exclusion Prior Claims of the Section, **we** agree to indemnify **you** for any **claim** that arises out of facts which first became known to **you** prior to the **period of insurance**:

provided always that:

- a) **we** were **your** professional indemnity insurer when **you** first knew of the relevant facts or circumstances; and
- b) **we** have continued without interruption to be **your** professional indemnity insurer up until this current **period of insurance** and the date of notification of the **claim** to **us**; and
- c) had **we** been notified by **you** of the **known circumstances** when **you** first knew of them, **you** would have been covered under the policy issued by **us** in force at that time; and
- d) the **claim** or **known circumstance** has not previously been notified to **us** or any other insurer; and
- e) the non-disclosure or misrepresentation to **us** of such facts or circumstances was not fraudulent.

We are only liable to indemnify **you** under this Automatic Extension to the extent **we** would have been required to indemnify **you** under the terms and conditions of the policy issued by **us** (including its **limit of liability**) existing at the time **you** first knew of those facts or circumstances.

5. Court attendance costs

We agree to provide up to \$500 per day for court attendance costs incurred by **you** or any of **your employees**, If **you** or any of **your employees** is legally compelled to attend a civil proceeding as a witness in a **claim** which is covered under the Section.

Provided always that the total **we** will pay under the Section under this Automatic Extension is sub-limited to \$100,000 in the aggregate. This sub-limit forms part of and is not in addition to the **limit of liability** and the **aggregate limit of liability**

6. Dishonesty of employees

Notwithstanding the Exclusion Fraud and Dishonesty, **we** will agree to indemnify **you** against **civil liability** for **defence costs** in respect of any **claim** or **claims** first made against the **insured** and notified to the **us** during the **period of insurance** resulting from any dishonest, fraudulent, criminal or malicious act or omission by any **employee** occurring or committed in connection with **your operations**.

Provided that nothing in this Automatic Extension shall require **us** to indemnify any **employee** who has perpetrated any such dishonest, fraudulent, criminal or malicious act or omission.

7. Emergency defence costs

If it is not possible for the **insured** to obtain **our** consent prior to incurring **defence costs** for a **claim** covered under this Section, **we** will waive prior consent provided **our** consent, which shall not be unreasonably withheld, is obtained within thirty (30) days of the first of such **defence costs** being incurred.

Provided always that:

- a) the total **we** will pay under the Section under this Automatic Extension is sub-limited to \$100,000 in the aggregate. This sub-limit forms part of and is not in addition to the **limit of liability** and the **aggregate limit of liability**; and
- b) if it is established that there is no entitlement to indemnity under this Section for the **defence costs** advanced under this Extension, the **insured** must repay such amounts to **us** immediately.

8. Estates, heirs or legal assigns

We agree to indemnify the estate, heirs or legal assigns of any natural person **insured** under this in the event of the death or legal incapacity of such person, but only to the extent to which such person would have been entitled to indemnity under this Section had such death or legal incapacity not occurred.

9. Extended claim and reporting period

If **we** refuse at expiry of this insurance to offer any renewal terms and conditions, **you** and any **insured person**, shall jointly (but not separately) have the right to request prior to the expiry of the **period of insurance** and upon payment of an amount equal to the total expiring annual premium stated in the **certificate of insurance** an **endorsement** to the Section providing for:

- a) an extension of the **extended notification period** to a period being the period of twelve (12) months immediately following the expiry of the **period of insurance**; and
- b) any **claim** made and reported to us during this endorsed **extended notification period** being deemed to have been made and reported to us immediately prior to the expiry of the **period of insurance** provided that the **claim** arises out of **civil liability** in the conduct of the professional activities of **your operations** which occurred prior to the expiry of the **period of insurance** and there is no cover for any **claim** arising out of **civil liability** in the conduct of the professional activities of **your operations** which occurred after the expiry of the **period of insurance**.

10. Good Samaritan Acts

We agree to pay on behalf of any of **your employees** in respect of legal liability otherwise covered under the Section arising from the rendering of emergency first aid assistance, known as **good Samaritan acts**, to any person other than relatives of the **employees** who reside with him/her provided, however, **we** shall not be liable where the **employee** was acting at the time under a contract of employment with any employer other than **you**.

11. Investigations and inquiries

We agree to indemnify **you** and any of **your employees** for **defence costs** incurred in connection with attendance at an **investigation** where formal notice requiring such attendance was served on them and notified to **us** within the **period of insurance**, provided that such **defence costs** are incurred with **our** prior written consent.

For the avoidance of doubt, the indemnity provided by this clause applicable to the Section does not include any fine, **penalty** or order for monetary **compensation** or such other sum that is otherwise excluded by Exclusion Fines and Penalties of the Section.

12. Joint venture cover

We agree to indemnify **you** and any of **your employees** under the Section in respect of any **claim** otherwise covered under the Section arising from any **joint venture** in the conduct of the professional activities of **your operations** but cover shall not extend to any **claim** brought by or on behalf of any party to the **joint venture** or any organisation established to conduct, control or manage such **joint venture**.

13. Loss or damage to documents

We agree to indemnify **you** and any of **your employees** in the event of **loss** of or damage to **documents** in respect of all costs, charges and expenses reasonably incurred by **you** or any of **your employees** in replacing or restoring such **documents**.

Provided always that:

- a) such **loss** or damage is sustained during the **period of insurance** while the **documents** are on **your** premises or in transit anywhere in the world (other than the United States of America or Canada or their territories or protectorates) or in **your** custody or of any person to whom **you** have entrusted them in the conduct of the professional activities of **your operations**; and
- b) the amount of any indemnity for such costs, charges and expenses shall be supported by bills and accounts which shall be subject to approval by a competent person to be nominated by **us** with **your** consent; and
- c) **we** shall not be liable in respect of **loss** or damage caused by riot or civil commotion; and
- d) the total **we** will pay under the Section under this Automatic Extension is sub-limited to \$2,000,000 in the aggregate. This sub-limit forms part of and is not in addition to the **limit of liability** and the **aggregate limit of liability**.

14. Malpractice cover

We agree to indemnify **you** for:

- a) any act, error or omission or conduct for professional services rendered by any nurse, technician or **volunteer** (but not a **medical practitioner** or a midwife) for whom **you** are legally liable; or
- b) any act, error, omission or conduct of a registered **medical practitioner** or **healthcare professional** but only in respect of liability attaching to **you** in the conduct of the professional activities of **your operations** which gives rise to bodily or mental injury or death.

15. Merger/takeover/sale/winding-up of insured

If, during the **period of insurance**, any of the following events occur:

- a) **you** are subject to a merger, takeover, sale; or
- b) the appointment of a receiver, controller, administrator or liquidator to the **insured** or the commencement of a scheme of arrangement or compromise or a winding up process in respect of the **insured**,

then this Section shall remain in force until the expiry of the **period of insurance** but only in respect of **claims** for which **you** are legally liable in the conduct of the professional activities of **your operations** when such conduct occurred prior to the effective date of the event described in (a) or (b) of this Automatic Extension.

16. New created/acquired subsidiary

We agree to extend the definition of you in the Section to include any new **subsidiary** created or acquired by **you** during the **period of insurance**.

Provided always that:

- a) cover only applies in the conduct of the professional activities of **your operations** provided by the new **subsidiary** occurring within a period of thirty (30) days from the date of the creation or acquisition of the **subsidiary**;
- b) cover only applies to **claims** in the conduct of the professional activities of **your operations** by the new **subsidiary** when such conduct occurred subsequent to the date of acquisition or creation of the **subsidiary**; and
- c) within the period specified in a) above, **you** shall supply such additional information relating to the new **subsidiary** as may be required by **us** and pay any additional premium as may be required to enable **us** to continue coverage to the expiry of the **period of insurance**.

17. Ninety (90) day reporting period

The **insured** may continue to notify the **insurer** of **claims** up to ninety days after the expiry of the **period of insurance**, but only **claims** first made against the **insured** during the **period of insurance** and based on any conduct of the professional activities of **your operations** committed or alleged to have been committed prior to expiry of the **period of insurance**.

Any notification to the **insurer** during this ninety (90) day reporting period will be deemed to have been first notified to the **insurer** during the **period of insurance**.

18. Past subsidiary organisations

In the event that a **subsidiary** ceases to be a **subsidiary** during the **period of insurance**, then cover under the Section shall continue to apply with respect to any **claim** made against such **subsidiary** during the **period of insurance**.

Provided always that cover only applies to such **claims** in the conduct of the professional activities of **your operations** provided by the **subsidiary** prior to the date such entity ceased to be a **subsidiary** and committed during the time such entity was a **subsidiary**.

19. Privacy breach response costs

We agree to pay any reasonable fees, **defence costs** incurred by the **insured**, with **our** prior consent, to notify any client, **third party** or regulator in accordance with the **insured's** legal liability as a result of any actual, alleged or suspected breach of privacy or duty of confidentiality in relation to personal information collected during the in the course of carrying on **your operations**, regardless of whether a **claim** has been made against the **insured**.

Provided always that **we** shall not be liable for:

- a) public relations expenses;
- b) wages, overtime, salaries or fees of **you** or **your employees**;
- c) cost to comply with any injunctive relief; or
- d) fines, **penalties**, sanctions and taxes.

The total **we** will pay under the Section under this Automatic Extension is sub-limited to \$50,000 in the aggregate. This sub-limit forms part of and is not in addition to the **limit of liability** and the **aggregate limit of liability**.

20. Reinstatement in the event of a recovery

Any amounts recovered by **us** (net of **our** reasonable expenses associated with such recovery) following a paid **claim** under the Section shall proportionally reduce the erosion of the **limit of liability** and **aggregate limit of liability** shown in the **certificate of insurance**.

21. Spousal liability

If a **claim** against an **insured** includes a **claim** against an **insured's spouse** solely by reason of:

- a) such **spouse's** legal status as a **spouse** of such **insured**; or
- b) such **spouse's** ownership interest in property which the claimant seeks as recovery for **claims** made against such **insured**,

then the **spouse's** legal liability for **compensation** resulting from such **claim** will be treated for the purposes of this Section as the liability of the **insured**.

This Automatic Extension does not apply to the extent the **claim** alleges **you** are legally liable in the conduct of the professional activities of **your operations** by such **insured's spouse**.

22. Vicarious liability

We agree to indemnify **you** in respect of any **claim** made against **you** arising from any act, error or omission committed or alleged to have been committed by any **third party** in the course of carrying on **your operations**, for whose acts, errors or omissions **you** are legally liable, provided that such coverage shall not extend to any such **third party**.

23. Waiver of excess

No **excess** shall apply or **we** agree to reimburse **you** for any payments made within the **excess**, in relation to a **claim** under the Section where final judgment is obtained and **you** are found not liable in respect of that **claim** provided always that this Automatic Extension does not apply to any **claim** that is settled prior to such final judgment being obtained.

Specific Conditions applicable to Professional Indemnity Section

Excess

We shall only pay for the amount of any *loss* which is greater than the *excess*. The *excess* is the amount shown in the *certificate of insurance* and represents the first amount which is payable by *you* in respect of any *loss* arising out of any one *claim* made against *you*. The *excess* is inclusive of *defence costs*.

For the purposes of determining if more than one *excess* applies, all *claims* that arise from or are attributable to the same *loss* or series of *losses* consequent upon or attributable to one source or original cause shall be regarded as one *claim*.

Management Liability Section

This Section only forms part of *your policy* when Management Liability Section is shown in *your certificate of insurance*

Specific Definitions applicable to Management Liability Section

In addition to the words or phrases shown as General Definitions and Specific Definitions Applicable to Part C, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General Definition for the same word or phrase which is inconsistent, the following specific definition will prevail in this Section.

aggregate section limit means the maximum amount under each particular *insuring clause* or Automatic Extension as shown in the *certificate of insurance* or as may be expressly stated in the Automatic Extension that *we* are liable to pay in respect of the aggregate of all liability for *loss* and *claims* the subject of cover under the respective *insuring clause* or Automatic Extension.

APRA means the Australian Prudential Regulation Authority.

auditor means an authorised *officer* under Commonwealth, State or Territory legislation to conduct a *tax audit*.

back-pay means the amount *you* are obliged to pay an *employee* for the period between the time of incorrect termination of the *employee's* employment and the time the *employee* is reinstated or re-employed, following an order of reinstatement or re-employment made upon *you*.

civil or bail bond expenses means the reasonable premium (but not collateral) for a bond or other financial instrument to guarantee an *insured person's* contingent obligation for bail required by a Court hearing in respect of an *extradition proceeding*.

claim means:

- a) any writ, summons, application cross *claim*, counter-*claim* or other legal or arbitral proceedings or process, or written demand seeking monetary or non-monetary relief and alleging any *wrongful act*, or *employment practice breach*;
- b) any written notice of any proceedings, *investigation* or inquiry which may give rise to the imposition of a *penalty*;
- c) any extradition proceeding against an *insured person*;
- d) any criminal proceeding.

Claim does not mean an action solely for declaratory or injunctive relief where there is no demand for *compensation* or damages.

client means a customer to whom *you* provide goods or services for a fee or not.

constructive dismissal for the purposes of an *employment practices breach* means requiring an *employee* to cease their employment with *you* because of what *you* say, do or fail to do.

contract worker means a person engaged by *you* through a labour hire firm, under an agreement between *you* and the labour hire firm, to perform duties related to the conduct of *your operations*.

crisis means an unforeseen event which in the reasonable professional opinion of *your* managing director, chief executive officer or equivalent and *us* has the potential to cause *loss* of *your* reputation and/ or imminent *loss* of annual revenue to *your operations* in the twelve (12) month period immediately following the event and exceeding 30% of *your* reasonably expected annual revenue for such period if left unmanaged and including, but not limited to:

- a) the loss of *your* intellectual property rights including existing patents, trademarks, or copyrights;
- b) the loss of a major customer or major contract of *yours* for the supply of goods and/or services;
- c) the traumatic death or significant impairment of a person on *your* premises causing emotional distress to *insured persons* or *employees* or members of the public having witnessed the injury;
- d) substantial destruction of or damage to *your property* other than caused by a natural disaster;
- e) the first apparent unauthorised intrusion into *your* computer facilities;
- f) a recall or boycott of any product;
- g) any criminal or fraud investigation.

Crisis is not an event that affects generally the industry in which *you* conduct *your operations*.

crisis loss means the reasonable fees, costs and expenses of a crisis management consultant retained by **you** to minimise the effects of a **crisis**, and such costs and expenses recommended by the **crisis** management consultant, but only for such advice received and steps taken within the sixty (60) day period immediately following the day on which the crisis first occurs.

defence costs means all reasonable costs and expenses (other than regular or overtime wages, salaries or fees of any **insured person** or **employee**) incurred by **you** or an **insured person** with **our** prior written consent (such consent not to be unreasonably withheld), for:

- a) legal representation in defending, investigating, attending or monitoring any **claim** or proceedings, **investigations**, examinations, inquiries and the like;
- b) any subsequent appeals, together with all reasonable costs of bringing such appeals; or
- c) legal or professional advice or assistance incurred in the settlement of a **claim**.

deprivation of assets expenses means the payment of the following services, directly to the provider of such services, in the event of an interim or interlocutory order confiscating, controlling, suspending or freezing rights of ownership of real **property** or personal assets of an **insured person** or creating a charge over real **property** or personal assets of the **insured person** during the **period of insurance**:

- a) housing;
- b) utilities;
- c) personal insurances; and
- d) schooling.

Such expenses will only be payable provided that a personal allowance has been directed by the court to meet such payments and such personal allowance has been exhausted.

Expenses will be payable after thirty (30) days following the event above for a period of up to six (6) months.

direct financial loss means loss of money, securities or property belonging to you or in your care, custody or control, for which you are legally liable.

director means:

- a) any natural person who was, is currently or during the **period of insurance** becomes a **director** of any legal organisation included in the definition of **you, your, yours** (by whatever name called) and whether or not such person is validly appointed to occupy or duly authorised to act in such position; and
- b) any natural person who by virtue of any applicable legislation, is deemed to be acting in such a capacity;

but does not include a liquidator, external **auditor**, receiver, receiver and manager, official manager, administrator, **trustee** or person administering a compromise or scheme of arrangement of **your organisation**.

discovered means when any **director** (who is not in collusion with an **employee** who has committed or is attempting to commit a **dishonest act**) becomes aware of any facts which would cause a reasonable person to assume that a **direct financial loss** has been incurred, even though the exact amount or details of the **direct financial loss** are not known at the time of discovery. Such discovery constitutes discovery by **you**.

dishonest act means any dishonest, fraudulent, criminal or malicious act committed by an **employee** or **third party** (whether acting alone or in collusion with any other person) with the intent to cause **you** to sustain a **loss** or to obtain financial benefit for that **employee** or **third party** or for any other person or **organisation** intended by that **employee** or **third party** to receive the financial benefit.

employment practice breach means any actual or alleged:

- a) wrongful refusal to employ a prospective **employee**;
- b) misleading conduct or misrepresentation in advertising the terms and conditions of a position of employment with **you**;
- c) wrongful failure to promote, wrongful demotion of, wrongful deprivation of career opportunity of, negligent evaluation of work performance of, negligent reassignment or wrongful disciplinary action against an **employee**;
- d) wrongful termination of employment of an **employee** including **constructive dismissal**;
- e) retaliatory treatment against an **employee** or a **contract worker** following an exercise of his or her rights and victimisation;
- f) unlawful workplace harassment of an employee or a contract worker including racial, religious, sexual and other harassment as prohibited by the applicable laws of Australia or the permitting of a workplace environment which is conducive to harassment;
- g) unlawful discrimination of any kind directed towards an **employee** or a prospective **employee**;
- h) infliction of emotional distress, anguish or humiliation of any **employee**, a **contract worker** or a prospective **employee**;
- i) oral or written publication of material that slanders, defames or libels an **employee**, a **contract worker** or unlawful interference with privacy; or
- j) denial of natural justice to an **employee** concerning their employment.

For the purpose of this definition only, the term **employee** shall include any **officer** or **volunteer**.

extradition proceeding means:

- a) a written request for extradition of an **insured person**, a warrant for the arrest of an **insured person** or other proceedings commenced by a writ, complaint, summons or other originating process against an **insured person** under the provisions of the Extradition Act 1988 (Cth) and/or any associated regulations; and

- b) any associated appeals, including but not limited to the pursuit of judicial review proceedings, against the decision of the Attorney General or other appropriately authorised representative of the Australian Government to issue a surrender warrant under the Extradition Act 1988 (Cth); and
- c) the equivalent of the above in any other jurisdiction.

geographic limits means the limits stated Specific Conditions applicable to Management Liability Section Geographic Limits or as otherwise stated in this Section.

identity fraud expenses means any reasonable fees, costs and expenses incurred by **you** in establishing that a fraudulent misrepresentation has occurred, where a **third party** first seeks to enforce an agreement against **you** during the **period of insurance**.

insured person means:

- a) a **director**; or
- b) an **officer**; or
- c) an **employee**; or
- d) a **trustee**.

insuring clause means any of Insuring Clauses 1 to 8 of this Section provided the **insuring clause** is selected by **you** and shown in the **certificate of insurance** with a **limit of liability** and **aggregate limit of liability** of greater than zero. **We** accept no liability to make any payment under this Section pursuant to or under an **insuring clause** if a zero amount or "not taken" is shown in the **limit of liability** and **aggregate limit of liability** section of the **certificate of insurance** for that **insuring clause**.

internet activities means all or any of the following:

- a) use of electronic mail systems by **you** and other persons working on **your** behalf;
- b) access through **your** network to the world wide web or a public internet site by **you** and other persons working on **your** behalf;
- c) access to **your** intranet (internal company information and computing resources which is made available through the world wide web) by customers or other persons **you** authorise outside **your organisation**; and
- d) the operation and maintenance of an internet site owned or operated by **you** or on **your** behalf, but not any **third party** internet site accessed via links to or from **your** internet site.

limit of liability means the maximum amount for each particular **insuring clause** or Automatic Extension in this Section and as shown in the **certificate of insurance** or if applicable as expressly stated in the Automatic Extension that **we** are liable to pay for all liability under the respective **insuring clause** or Automatic Extension in respect of each and every **claim**.

loss means **compensation** for which **you** and/or an **insured person** are legally liable and **defence costs** incurred by **you** or an **insured person**, and

- a) in respect of Insuring Clause 4 – Employment Practices Liability, **loss** also includes **back-pay**;
- b) in respect of Insuring Clause 6 – Statutory Liability, **loss** also includes any **penalty**;
- c) in respect of Automatic Extension Employee Fidelity, **loss** also includes **direct financial loss**;
- d) in respect of Automatic Extension Third Party Fidelity, **loss** also includes **direct financial loss**;
- e) in respect of Automatic Extension Tax Audit, **loss** also includes **tax audit fees**

but **loss** does not include **crisis loss**.

managed investment has the meaning provided in the Corporations Act 2001 (Cth).

non-profit organisation means any **organisation** (but not a **subsidiary organisation**) that is exempt from the payment of income tax under the state and/or federal laws of Australia.

officer means any natural person who was, is currently or becomes during the **period of insurance** an office bearer, a person who holds an executive or managerial office (as defined by the 2001 Corporations Act (Cth.)), a company secretary or a management **committee** member of **yours** or other person elected by **you** or by **your** governing body to represent **your organisation** in directing, managing or supervising **your operations** but does not include a **trustee** or a liquidator, external **auditor**, receiver, receiver and manager, official manager, administrator, or person administering a compromise or scheme of arrangement of **your organisation**.

operations means the business, activities or services specified in the **certificate of insurance** carried out in **your** operations from Australia.

outside director or outside directorship means the position of **director**, **officer**, secretary or equivalent position held by either a **director** or an **officer** in the governing body of an **outside entity** at **your** request.

outside entity means a **non-profit organisation** not included in the definition of **you**, **your**, **yours** but excluding any entity that had negative net assets or a negative net worth at the start of the period of insurance.

professional fees means the fees, cost and disbursements which are reasonably and necessarily incurred in connection with a **tax audit** which are payable by **you** to an accountant or other financial adviser, **registered tax agent** or legal adviser for work carried out in connection with a **tax audit**.

property means tangible property other than **money** and **securities**.

public relations expenses means the reasonable fees and expenses of a public relations firm which **you** or an **insured person** engages with **our** prior written consent (not to be unreasonably withheld) for the purpose of preventing or limiting potential adverse or negative publicity in

respect of a covered *claim* or official *investigation*.

registered tax agent means a professional or group of professionals registered with the Australian Government Tax Agents' Board.

regulatory authority means instrumentalities, entities or persons appointed to act pursuant to any Act of the Commonwealth of Australia or the States or Territories of Australia for the purposes of enforcement of such Act or any other Act.

tax audit means the carrying out of an audit on a return submitted by *you*, or on *your* behalf, by the Australian Tax Office or any Australian Commonwealth, State or Territory department, relevant body or agency, or authority which is authorised to conduct such an audit, but does not include any inquiry or *investigation* by the Australian Taxation Office aimed at determining *your* compliance with the record keeping requirements of relevant taxation legislation, other than a return to *APRA*.

tax minimisation schemes means the arrangement of taxation and other returns, by *you* or on *your* behalf, which are designed to reduce the tax payable by *you*.

third party means any natural person, or entity other than *you*. For the sake of clarity, a *third party* can include a *client*.

third party discrimination means *discrimination* by an *insured person* against a *third party* referencing race, colour, creed, religion, age, sex, disability, marital status, national origin, pregnancy, sexual orientation or preference which is protected to any law anywhere in the world.

third party sexual harassment means sexual harassment by an *insured person* against a *third party* including unwelcomed sexual advances, or conduct of a sexual nature. For the purpose of this definition only *third party sexual harassment* does not include cover for any actual or alleged act of *sexual abuse*.

trust means a trust set up to manage a retirement or superannuation or pension fund for the benefit of *your officers* and/or *employees*.

trustee means *you* if validly appointed to act or any natural person who is elected to administer the *trust*, but does not include a professional trust company or organisation or an *employee* of such company or organisation.

trustee responsibility breach means any actual or alleged *wrongful act* or omission committed, attempted or allegedly attempted by a *trustee* in such capacity in respect of the administration of the *trust*.

wrongful act means any actual or alleged act, error or omission including but not limited to any unfair or unlawful act or omission, any misstatement, misleading statement, neglect, error, breach of *trust*, breach of duty or offence pursuant to an *Act of Parliament* or common law; provided such act or omission is relevantly committed or allegedly committed or attempted in respect of each selected *insuring clause* as follows:

- a) Insuring Clauses 1, 2, 3, 4, 6 and 7: by a *director* and/or *officer* solely in their capacity as such a *director* or *officer*;
- b) Insuring Clauses 1, 4, 6 and 7: by *you*;
- c) Insuring Clauses 4, 5, 6 and 7: by a *trustee* in the course of the administration of the *trust*.

you, your, yours means:

- a) the incorporated entity, entities or *organisation(s)* named as the insured in the *certificate of insurance*;
- b) each *organisation* that is a *subsidiary organisation* at the commencement date of the *period of insurance* and which was disclosed by *you* to *us* at the time of entering into this Section;
- c) any new subsidiary organisation formed or acquired by *you* during the period of insurance through consolidation, merger or purchase of its assets and in respect of which *you* assume control during the period of insurance provided:
 - i. such *organisation* is carrying on substantially the same business as *yours*;
 - ii. any acquisition or assumption of control increasing *your* total gross assets under management by more than 20% is reported to *us* within ninety (90) days after it is effected; and
 - iii. that this Section does not provide cover to the *organisation* which has become the *subsidiary organisation* or to any person who has consequently become a *director* or *officer* in respect of any *wrongful act*, *employment practice breach*, *direct financial loss* or *crisis* which occurred prior to the date of such formation or acquisition.

What is covered

We will provide cover under each *insuring clause* and applicable Automatic Extension that is shown on *your certificate of insurance*, if applicable, any *endorsements* to this Section.

Insuring clause 1 – Organisation Liability

We will indemnify *you* for liability for *loss* arising out of any *claim* by reason of any *wrongful act* in the management of *your operations*, which *claim* is first made against *you* during the *period of insurance* and notified to *us* during either the *period of insurance* or the *extended notification period*.

Insuring clause 2 – Directors and Officers Liability

We will indemnify any *director* or *officer*, for liability incurred in their capacity as such a *director* or *officer*, for *loss* arising out of any *claim* by reason of any *wrongful act*, which *claim* is first made against them during the *period of insurance* and notified to *us* during either the *period of insurance* or the extended *notification period* and provided such *director* or *officer* is not indemnified by *you*.

Insuring clause 3 – Organisation Reimbursement

We will indemnify **you** for any payment which **you** are required and are legally permitted to make to or on behalf of any **director** or **officer** for their liability for **loss** incurred in their capacity as such a **director** or **officer** and arising out of any **claim** by reason of any **wrongful act**, which **claim** is first made against them during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**.

Insuring clause 4 – Employment Practices Liability

We will indemnify **you** and/or an **insured person** for liability for **loss** arising out of any **claim** alleging an **employment practice breach**, which **claim** is first made against **you** or the **insured person** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**.

Insuring clause 5 – Trustees Liability

We will indemnify a **trustee** for liability for **loss** arising from any **claim** alleging a **trustee responsibility breach**, first made against the **trustee** during the **period of insurance** and notified to **us** during the **period of insurance** or during the **extended notification period**.

Insuring clause 6 – Statutory Liability

We agree to indemnify **you** and/or an **insured person** for:

- a) any penalty which is insurable at law arising from a **wrongful act** by **you**, an **insured person** or **trustee** in the jurisdictions of, and under the laws of Australia; and
- b) any **defence costs** incurred directly in connection with any legal proceedings, **investigations** or inquiry which may give rise to the imposition of such **penalty**.

Provided always that written notice of such legal proceedings, **investigation** or inquiry was first received by **you** or the **insured person** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**.

Insuring clause 7 – Internet Liability

We will indemnify **you** and/or an **insured person** for liability for **loss** arising from a **claim** as a direct result of a **wrongful act** carried out without **your** consent and incurred solely in the conduct of **your** internet activities which **claim** is first made against **you** and/or the **insured person** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**, and for which cover is not provided under **your** general public and products liability insurance.

Insuring clause 8 – Organisation Crisis Cover

We agree to pay on **your** behalf any **crisis loss** which **you** incur by reason of a **crisis** which first occurs during the **period of insurance** and is notified to **us** during either the **period of insurance** or the **extended notification period**.

What is not covered

In addition to the General Exclusions applicable to all Sections of this **policy**, and Additional Exclusions applicable to Part C: Organisation Liability, **we** are not required to make any payment in respect of any **loss**, **crisis loss** or **claim** directly or indirectly arising out of, attributable to or in connection with:

1. Breach of professional duty

- a) The rendering or failure to render professional services and/or professional advice to a **third party**; or
- b) a breach or alleged breach of any contract or duty for the provision of such professional services and/or professional advice;

provided always that this exclusion does not apply to such services provided by an **insured person** in his or her capacity as **director**, **officer** or **trustee** and in circumstances where such professional services or professional advice is provided to **you** and not to third parties in the course of **your operations**.

2. Contractual liability

Any actual or alleged liability assumed by **you** or an **insured person** under any contract, warranty or guarantee, except to the extent such liability would attach to such party in the absence of such contract, warranty or guarantee. Other than in respect of a warranty or guarantee, this exclusion does not apply to employment contracts.

3. Employment liability

Any **claim** by an **employee** arising from the employment of the person by **you** or arising from any employment dispute, or arising from any leave, worker's compensation, disability benefits, unemployment benefits, redundancy or severance payments, retirement benefits, social security benefits, superannuation benefits or any similar employment obligation, other than as provided under Insuring Clause 4 – Employment Practices Liability.

4. Failure of investments

The failure of **your** investments or investments to perform to expectations, except where the failure is a direct result of a **wrongful act** unconnected with the performance of the investments and not otherwise excluded under this Section.

5. Fraud and Dishonesty

- a) any dishonest, fraudulent, criminal or malicious act or failure to act;
- b) an act committed with the intention of causing harm or *loss* of any kind or conduct intended to mislead or deceive a claimant;
- c) any act or failure to act committed with a reckless disregard for the consequences of such act or omission;
- d) the condoning of acts or failure to act of the type referred to in this clause;
- e) any deliberate breach of any statute or regulation;
- f) improperly benefiting from *securities* transactions as a result of information that was not available to other sellers and/or purchasers of such *securities*; or
- g) gaining an illegal advantage;

by *you* or any person seeking the benefit of this Section; provided always that this exclusion shall not apply to cover provided to *you* or an innocent *insured person* under Automatic Extension Dishonesty of Others.

This exclusion will only apply where the conduct in question has been established by admission, court judgment or other final adjudication. No fact pertaining to conduct of, or knowledge possessed by, an *insured person* will be imputed to any other *insured person* to determine whether any part of this Exclusion applies.

This exclusion shall not apply in relation to *defence costs*, Automatic Extension Attendance at Official Investigations or Inquiries or Automatic Extension Occupational Health and Safety.

6. Illegal copies of programs

Any *data* reproduction fees, costs or expenses claimed under Automatic Extension Data Reproduction Costs where the reconstitution of *data* is required as a result of an *insured person* knowingly using illegal copies of programs.

7. Insolvency and change of ownership

Any act, error or omission which:

- a) whether actual or alleged would constitute insolvent trading contrary to the Corporations Act 2001 (Cth.);
- b) occurs after you enter liquidation, administration, receivership or any other insolvent administration; or
- c) occurs after any other entity acquires a majority or controlling interest in your organisation.

8. Insured versus Insured

Any *claim* brought by *you*, or on *your* behalf, against any *insured person* or their estates, heirs, representatives, successors or assigns or brought by any *insured person* against *you* or any other *insured person*, other than as provided in Automatic Extension Insured versus Insured.

9. Intellectual property rights

Any actual or alleged plagiarism, misappropriation, infringement or violation of copyright, patent, trademark, trade secret or any other intellectual property rights, provided that this exclusion shall only apply to the cover provided to *you* under Insuring Clause 1 – Organisation Liability.

10. Known claims or prior acts

- a) Any *wrongful act*, *trustee responsibility breach* or *employment practice breach* occurring prior to the *retroactive date* applicable to each of Insuring Clauses 1 to 8;
- b) any *known circumstance*; or
- c) facts or circumstances which were notified to *your* insurer under the provisions of any insurance policy in force prior to the commencement of this Section.

11. Lawful compliance

Any liability in respect of which *we* are legally prohibited from indemnifying *you* or an *insured person* under the Laws of Australia or any other country in which a *claim* arises.

12. Personal injury and property damage

- a) *Personal injury* or death of or harassment of or *discrimination* against any person; or
- b) *property damage* or the sale, supply, storage or manufacture of goods of any kind;

provided that this exclusion does not apply to the cover provided by Insuring Clause 4 – Employment Practices Liability and Automatic Extension Third Party Discrimination and Sexual Harassment.

13. Property use or ownership

- a) Land, buildings, machinery and other fixed assets; or
- b) *aircraft*, *watercraft* or *vehicle* of any kind.

14. Prospectus liability and securities

The offer, issue, sale, purchase or transfer of *your securities* or the making of any representation for or in connection with such *securities* or any public or private offering of *securities*.

15. Sexual abuse

any actual or alleged act of *sexual abuse*, provided this exclusion shall not apply to any alleged sexual harassment in connection with an *employment practice breach*.

16. Subsidiaries and related entity claims

Any *claim* brought by or on behalf of:

- a) an *organisation* or entity which is a *subsidiary organisation*; or
- b) an *outside entity* where the *claim* is made against *you* upon direct or indirect solicitation or enticement by an *insured person* occupying a directorship position on the board of such *outside entity*.

17. Third party discrimination or sexual harassment

Arising from, attributable to or in connection with *third party discrimination* and *third party sexual harassment*, other than as provided under Automatic Extension Third Party Discrimination and Sexual Harassment.

18. Trade and administration transactions

Any *claim* based upon or in consequence of:

- a) any trading or business debt incurred by *you*; or
- b) the failure to collect contributions for any superannuation or pension fund or to remit such monies to any superannuation or pension fund.

19. Trade practices

Any actual or alleged violation of the Competition and Consumer Act 2010 (Cth.) or any State Fair Trading Acts of Australia or similar legislation in any other jurisdiction relating to:

- a) penal or criminal provisions; or
- b) provisions applying to business competition, unfair trade practices or tortious interference with any business or contractual relationships.

20. Trustees liability

Any liability as a *trustee* or the failure of the *organisation* to pay into, or collect contributions for, a fund or *trust* as required by law and/or a fund trust deed except as provided under Insuring Clause 5 – Trustees Liability and Automatic Extension Personal Injury Cover for Trustees.

21. Additional exclusions applying to insuring clause 4 Employment Practices Liability

In respect of the cover provided under Insuring Clause 4 Employment Practices Liability, this Section does not cover *loss* or make any payment in connection with any *claim* made against *you* or an *insured person* for or in respect of:

- a) a contract of employment alleged to be unfair, harsh, unconscionable or contrary to public interest;
- b) the seeking of relief in respect of a contract for service alleged to be unfair pursuant to the Fair Work Act 2009 or similar industrial relations legislation in the other states or territories of the Commonwealth of Australia or in New Zealand;
- c) any Workers' Compensation or Occupational Health and Safety Acts or similar workplace legislation;
- d) the cost of physical modifications to premises, plant or equipment owned or occupied by *you*;
- e) involves industrial disputes (whether between the entity or the *insured persons* or between *employees* or their union or generally), strike, picket, lockout, go slow or work to rule; or
- f) any amount which *you* are or an *insured person* is required to pay pursuant to a specific obligation imposed under a contract of employment, employment agreement, statute, award or otherwise.

22. Additional exclusions applying to Automatic Extension Employee Fidelity and Automatic Extension Third Party Fidelity

We will not pay for *loss* consisting of or which arises from or in connection with:

- a) *direct financial loss* arising out of or in any way connected with any *dishonest acts* committed, in whole or part, outside of Australia or New Zealand;
- b) *direct financial loss*:
 - i. first *discovered* prior to the commencement of the *period of insurance*; or
 - ii. first *discovered* after the end of the *period of insurance*, or the *discovery period* if applicable; or

- iii. in any way connected with any **employee** or **third party** from the time any **director** or **officer** (who is not in collusion with such **employee** or **third party**) had actual knowledge that the **employee** or **third party** had committed or was suspected of having committed any fraudulent or **dishonest act**, even if it does not constitute a **dishonest act** as defined; or
 - iv. caused by any **employee** if a **director** or **officer** possessed at any time knowledge of any act or acts of theft, fraud or dishonesty committed by such **employee** prior to employment by **you** provided the act(s) involved **money, securities** or **property** valued at \$10,000 or more, or such **director** or **officer** failed to make reasonable enquiries prior to employment of such **employee**;
- c) **direct financial loss** arising out of or in any way connected with any fraudulent or **dishonest acts**, or involving collusion by or complicity, of:
- i. a **director** who at the time of the **dishonest act** owns or controls more than 5% of the issued share capital of the insured **organisation**; or
 - ii. any shareholder who, at the time of committing such acts, had direct or indirect ownership of or control over more than 5% of the voting share capital of the insured **organisation** or any of its subsidiaries or any associated **organisation**;
- d) any indirect or consequential loss of any nature, including but not limited to:
- i. any **loss** of income (such as interest and dividends) not realised by the **you** or any other person or **organisation**; or
 - ii. any costs incurred by **you** in re-writing or amending the **your** software programs or systems where such re-writing or amending is necessary to correct the programs or systems; or
 - iii. any contractual **penalties** incurred by **you**; or
 - iv. any liability to a **third party**; or
 - v. any costs, fees or other expenses incurred by **you** in establishing a right under this Section (except as provided for under Specific Conditions applying to Management Liability Notification of Direct Financial Loss); or
 - vi. any costs, fees or other expenses incurred by **you** in prosecuting or defending any demand, **claim** or legal proceeding resulting from a **direct financial loss** which is covered under this Section;
- e) **direct financial loss** the proof of which is dependent solely upon:
- i. a profit and loss computation; or
 - ii. a comparison of inventory records with an actual physical count.
- If, however, an **employee** is identified as having caused a **direct financial loss**, then inventory records and actual physical count of inventory can be submitted as partial evidence in support of proof of the **direct financial loss** as required by Specific Condition applicable to Management Liability – Notification of Direct Financial Loss;
- f) **direct financial loss** arising out of or in any way connected with the accessing, use or dissemination of any confidential information including, but not limited to, proprietary information, trade secrets, computer programs, customer information, patents, trademarks, copyrights or processing methods;
- g) **direct financial loss** arising out of or in any way connected with:
- i. the voluntary giving or surrendering of **money, securities** or other **property** in any exchange or purchase, unless such **direct financial loss** is directly caused by **dishonest acts** committed; or
 - ii. the complete or partial non-payment or default under any credit arrangement including any payments made or withdrawals from any customer account involving items which are not finally paid for any reason; or
 - iii. any trading in **securities**, whether or not in **your** name and whether or not in a genuine or fictitious account; or
 - iv. the forgery or alteration or fraudulent use of any credit card, store card, fuel card or other form of credit issued by **you** to **employees**, unless **you** have fully complied with the provisions, conditions and other terms under which such credit card, store card or fuel card issued;
- h) any **direct financial loss** occurring following forcible or violent entry to any premises occupied by **you** by any **third party** where such **third party** is acting alone and not in collusion with any **employee**;
- i) any **direct financial loss** connected with the issuing and drawing of cheques, account withdrawals or funds transfers sustained by **you** by reason of the absence of or failure to have a clear segregation of duties and procedures in connection with the issuing and drawing of cheques, account withdrawals or fund transfers in excess of \$5,000 in value.
- Such cheques, account transactions or fund transfers must be counter signed or authorised by another authorised officer who must, independently of the **employee** drawing the cheque, making account withdrawals or fund transfers, examine the supporting vouchers or requisitions or verify against an authorised payment list prepared and checked independently of the drawer of the cheque, or person making the account withdrawals or fund transfers;
- j) arising from **your** operation of or involvement in the conduct of any bank, building society, credit union, finance company, superannuation fund or banking business as defined in the Banking Act 1959 (Cth.);
- k) fines, **penalties** or damages including aggravated or exemplary damages for which you are legally liable;
- l) resulting or arising out of any **cyber-attack** or **loss** caused by a mechanical failure and/or programming error;
- m) arising directly or indirectly from or based upon or attributable to or in consequence of any **act of terrorism**, regardless of any

other cause or event contributing concurrently or in any other sequence to the **loss**, or any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to an **act of terrorism**;

n) damage or destruction of any land or buildings and/or fixtures and fittings thereon.

23. Additional exclusions applicable to Automatic Extension Tax Audit

Tax Audit does not cover, and **we** are not required to make any payment directly or indirectly arising out of, attributable to or in connection with:

- a) amended notices/additional tax/fine/legal costs;
- b) the amount of any tax or other payment due or imposed by any amended notice of assessment including:
 - i. primary tax; or
 - ii. additional tax, duty, government impost; or
 - iii. fines, interest or **penalty** imposed;
- c) costs in legally pursuing or defending any legal action, proceeding or process in a court of law or tribunal against **you** which arise as a result of a **tax audit**;
- d) an audit conducted by **APRA**;
- e) all costs:
 - i. arising directly or indirectly from or in respect of any criminal prosecution arising as a result of a **tax audit**; or
 - ii. arising directly or indirectly from or in respect of any tax return lodged outside Australia, its states or territories;
 - iii. incurred, that should have been incurred or that ordinarily would have been incurred for work done prior to or as part of the preparation of **your** accounts, returns, taxation and financial records prior to the lodgement of **your** returns, taxation and financial records or any document required by the relevant legislation in connection with **your** returns;
- f) any **tax audit** where a return has been prepared lodged or submitted dishonestly or fraudulently, and where the supporting documents have been falsely created or collected;
- g) prior circumstances:
 - i. any **claim** for **professional fees** under this **Automatic Extension** arising from any circumstances known to **you**, or any **official, employee, or volunteer** acting on **your** behalf, prior to the **period of insurance**; or
 - ii. verbal or written notice of an impending **tax audit** given to **you**, or any person or agent acting on **your** behalf, prior to the **period of insurance**; or
 - iii. a **tax audit** with a commencement date prior to the **period of insurance**;
- h) any **tax audit** where a return has been lodged on a date after the later of either:
 - i. 90 days after the lodgement date prescribed; or
 - ii. the date prescribed for lodgement by an authorised Extension;
- i) any form of **managed investment**;
- j) **professional fees** which:
 - i. form part of an annual fixed fee or cost arrangement for taxation or accounting needs of **your operations**; or
 - ii. are incurred after the **tax audit** has been completed, including fees incurred in connection with any further review; or
 - iii. are ordinarily associated with the maintenance and upkeep of **your** business accounts, returns, taxation and financial records and the preparation prior to lodgement of accounts, returns, taxation and financial records as required by any relevant legislation;
- k) any routine enquiries, or enquiries from the **auditor**, which are not identified as being either preliminary to, or relating to a **tax audit** of a return;
- l) any **tax minimisation schemes**.

How much **we** will pay

The maximum **we** will pay under each of the **insuring clauses** is the relevant:

- a) **limit of liability**; or
- b) **aggregate limit of liability**;

shown in **your certificate of insurance** in respect of each **insuring clause** and always subject to all terms and conditions of this Section including the **aggregate section limit**.

The maximum **we** will pay under this Section of **your policy** is the amount of the **aggregate section limit** in respect of the aggregate of all payments that **we** would otherwise be liable to make under this Section.

Except as provided for in Automatic Extension Dedicated Excess Limit of Liability for Insured Person and subject to the **aggregate section limit**

and the applicable **aggregate limit of liability** unless **we** state otherwise in writing, the total amount payable by **us** under each **insuring clause** of this Section and any Automatic Extension shall not exceed the **limit of liability** in respect of any one **claim** stated in the **certificate of insurance** as applying to that particular **insuring clause** or to the relevant **insuring clause** applicable to the particular Automatic Extension unless the Automatic Extension expressly provides otherwise. Such **limit of liability** forms part of and is not in addition to the relevant **aggregate limit of liability** and **aggregate section limit** shown in **your certificate of insurance**.

Where more than one **insuring clause** covers any **claim** or **loss** then only one **insuring clause** shall apply. The **insuring clause** including the applicable **limit of liability** and **aggregate limit of liability** which in that event shall apply shall be the **insuring clause** which first appears in the following order:

- a) Insuring Clause 1 – Organisation liability;
- b) Insuring Clause 2 – Directors and Officers Liability;
- c) Insuring Clause 3 – Organisation Reimbursement;
- d) Insuring Clause 4 – Employment Practices Liability;
- e) Insuring Clause 5 – Trustees Liability;
- f) Insuring Clause 6 – Statutory Liability;
- g) Insuring Clause 7 – Internet Liability;
- h) Insuring Clause 8 – Organisation Crisis Cover.

Automatic Extensions

The Automatic Extensions apply to an **insuring clause** of this Section shown in **your certificate of insurance** with a **limit of liability** and **aggregate limit of liability** of greater than zero. **We** accept no liability under any **insuring clause** or any Automatic Extension which applies to that **insuring clause** where a zero amount or “not taken” is shown in the **limit of liability** and **aggregate limit of liability** section of the **certificate of insurance** for that **insuring clause**.

1. Advancement of defence costs

If **we** elect not to take over and conduct the investigation, defence or settlement of any **claim**, **we** will pay all reasonable **defence costs** associated with that **claim** as and when they are incurred provided that:

- a) **we** have not denied indemnity for the **claim**; and
- b) **our** written consent is obtained prior to **you** or the **insured person** incurring such **defence costs** (such consent shall not to be unreasonably withheld).

We reserve the right to recover any **defence costs** paid under this Automatic Extension from **you** and/or an **insured person** severally according to the respective liabilities for such **defence costs**, in the event and to the extent that facts are subsequently established by judgment or other final adjudication which confirm that there was otherwise no entitlement to cover under this Section for such **defence costs**.

2. Attendance at official investigations or inquiries

We will pay **defence costs** incurred with **our** prior consent by an **insured person** in attending any official **investigation**, examination, inquiry or other proceedings ordered or commissioned by any **official body** or institution, where the **insured person** is legally compelled by such body or institution to attend such **investigation**, examination, inquiry or proceeding and which involves an allegation of a **wrongful act** committed after the **retroactive date** and which may lead to a **claim** covered under this Section;

provided always that:

- a) written notice requiring such attendance is received by the **insured person** during the **period of insurance** and is notified to **us** during either the **period of insurance** or the **extended notification period**; and
- b) the total amount **we** will pay under this Section for all **defence costs** covered pursuant to this Extension is sub-limited to \$500,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate section limit** and the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

3. Civil or bail bond expenses

We agree to pay on behalf of an **insured person**, **civil** or **bail bond expenses** incurred by an **insured person** during the **period of insurance** in connection with a **claim** that is covered under this Section;

provided always that:

the total amount **we** will pay under this Automatic Extension is sub-limited to \$250,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate section limit** and the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

4. Continuous cover

In the absence of fraudulent non-disclosure or misrepresentation by **you** or an **insured person**, **we** will extend cover to **you** or an **insured person** under this Section for liability for **loss** to the extent it would be covered but for the existence of a **known circumstance**, provided always that:

- a) *we* were the management liability or directors & officers liability insurers (however designated) of *you* and the *insured person* when *you* or the *insured person* first knew of such *known circumstance*;
- b) *we* continued without interruption to be the management liability or directors & officers liability insurers of *you* and the *insured person* since *you* or the *insured person* first knew of such *known circumstance* up until the time when this Section came into effect;
- c) had *we* been notified of the *known circumstance* when *you* or the *insured person* first knew or ought to have known of it, *you* or the *insured person* would have been covered under the policy in force at that time, but are not now covered by this Section;
- d) *you* and/or the *insured person* seeking indemnity under this Section would have been covered by this Section, but for the *known circumstance exclusion*; and
- e) the *claim* or *known circumstance* had not previously been notified to *us* or to any other insurer.

The *limit of liability we* provide under this Automatic Extension is the lesser available under the terms of the policy in force at the earlier time (as referred to in the first sub-paragraph of this clause) or that but for the *known circumstance* would apply under this Section. The terms of this Section otherwise apply and *we* may reduce *our* liability under this Section to the extent of any prejudice *we* suffer in connection with the failure of *you* or the *insured person* to notify *us* at an earlier date of the *known circumstance*.

5. Court attendance costs

We agree to provide up to \$500 per day for court attendance costs incurred by the *insured person*, if the *insured person* is legally compelled to attend a civil proceeding as a witness in a *claim* which is covered under Insuring Clause 2 – Directors and Officers Liability;

provided always that:

the total amount *we* will pay under this Automatic Extension is sub-limited to \$100,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available.

6. Current outside directorships (including non-profit organisations)

Where a *director* or *officer* holds an *outside directorship* with *your* permission at the commencement of the *period of insurance* in any *outside entity* named in the *certificate of insurance*, or any *non-profit organisation* associated to the *outside entity*, *we* will extend cover to that *director* or *officer* of the *outside entity* or *non-profit organisation* under Insuring Clause 2 – Directors and Officers Liability and to *you* under Insuring Clause 3 – Organisation Reimbursement;

provided always that:

- a) cover is not be provided for any *wrongful act* preceding the *retroactive date* shown in the *certificate of insurance*;
- b) cover will not extend to any *director* or *officer* (by whatever name called) of the *outside entity* who is not also an *insured person* under this Section;
- c) no indemnity whatsoever is available to the said *outside entity* or *non-profit organisation* under this Section;
- d) the cover available by reason of this Automatic Extension shall only apply in excess of the indemnity available to the *director* or *officer* under the management liability policy (however designated) held by the *non-profit organisation* with another insurer covering the liability of that person; and
- e) this Automatic Extension shall only apply where there is no other insurance issued by *us* to the said *outside entity*.

We will extend the indemnity granted by this Automatic Extension to any *director* or *officer* entering into such an *outside directorship* with *your* permission during the currency of the policy for an initial period being the period of sixty (60) days from the commencement date of any such appointment or until the expiry of this Section whichever is shorter; and *we* will maintain such coverage beyond this initial period where:

- a) such *outside directorship* is reported to *us* within sixty (60) days after it is effected; and
- b) *we* confirm continuation of the interim cover for such *outside directorship*, by *endorsement* of this Section.

7. Data reproduction expenses

We will pay any reasonable expenses, incurred by *you* with *our* written consent, to reproduce or duplicate *damaged* or destroyed *electronic data* or computer programs directly arising from any *direct financial loss* covered under Automatic Extension Employee Fidelity and Automatic Extension Third Party Fidelity of this Section.

If such *electronic data* or computer programs cannot be duplicated from other *electronic data* or computer programs then *we* will pay any reasonable expenses, incurred by *you* with *our* written consent, to purchase the replacement computer program software, or if it cannot be purchased, for the time taken for computer programmers, technical experts or consultants to restore such *electronic data* or computer programs to substantially the same level of operational capability existing immediately before the covered *loss*.

The total amount *we* will pay under this Automatic Extension is sub-limited to \$25,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available. No *excess* shall apply to this Automatic Extension.

8. Dedicated excess limit of liability for insured person

Insuring Clause 2 - Directors and Officers Liability, Insuring Clause 3 - Organisation Reimbursement and Insuring Clause 4 - Employment Practices Liability are extended as follows:

In the event that the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* and all other indemnification available to an *insured person* is exhausted (including but not limited to by *you* or an *outside entity*) and any other insurance (including any policy taken out on behalf of or for the benefit of the *insured person*, including policies specifically excess of this Section) in respect of such *loss* resulting from a *claim* for a *wrongful act*, *we* will pay on behalf of any *insured person*, *loss* up to \$1,000,000.

The aggregate limit of liability of the insurer under this Automatic Extension will not exceed during the period of insurance:

- a) \$1,000,000 in the aggregate for each *insured person*, and
- b) the *aggregate section limit* specified in the *certificate of insurance* for all *loss* paid on behalf of all *insured persons*.

The cover under this Automatic Extension is in addition to, and not part of, the limit of liability under this Section. However, in respect of any sub-limit, this Automatic Extension does not operate until exhaustion of the limit of liability. No excess shall apply to this cover. Further, we agree that this Automatic Extension cannot be cancelled by you.

9. Deprivation of assets expenses

We agree to extend cover under this Section by including *deprivation of assets expenses* arising from any *claim* covered by this Section; provided always that:

the total amount *we* will pay under this Automatic Extension is sub-limited to \$20,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available.

10. Directorships (non-profit organisation(s))

We agree to extend cover under this Section by including in the definition of *director* and *officer* any *director* or *officer* who is required to hold a position in the governing body of any *non-profit organisation* at *your* request prior to or during the *period of insurance*;

provided always that:

- a) any *wrongful act* giving rise to a *claim* occurred before the *director* or *officer* ceased holding such position;
- b) cover pursuant to this Automatic Extension will not extend to any other *director* or *officer* (by whatever name called) of the *non-profit organisation* if they are not otherwise covered under this Section;
- c) no cover whatsoever is available to the *non-profit organisation* under this Section;
- d) for the purpose of applying Automatic Extension Insured versus Insured to the cover provided in this Automatic Extension and for no other purpose, the term *you* will be deemed to include the *non-profit organisation*; and
- e) the cover available by reason of this Automatic Extension shall only apply in excess of the indemnity available to the *director* or *officer* under the management liability or directors and officers policy (however designated) held by the *non-profit organisation* with another insurer covering the liability of that person; and where *we* have issued another insurance policy to the *non-profit organisation* providing similar coverage allowed under this Section, this Automatic Extension shall only apply in excess of such separate coverage.

11. Dishonesty of others

Notwithstanding Exclusion Fraud and Dishonesty, *we* will extend cover to an *insured person* for liability for *loss* to the extent it would be covered under this Section provided always that:

- a) the *insured person* seeking cover pursuant to this Automatic Extension, did not engage in, permit, knowingly assist or condone such dishonest, fraudulent, malicious or illegal act or omission;
- b) the indemnity does not extend to *loss of property, money*, bearer bonds, coupons, stamps, bank notes, currency notes or negotiable instruments of any kind belonging to the *insured person* or for damage to *property* for which the *insured person* is legally responsible;
- c) the *loss* sustained is not in consequence of any act or omission occurring after the *insured person* seeking cover pursuant to this Automatic Extension acquired reasonable cause for suspicion of dishonest, fraudulent, malicious or illegal conduct on the part of the defaulting *insured person* concerned and had the opportunity to act on the available information; and
- d) indemnity is not provided to the *insured person* which committed the dishonest, fraudulent, malicious or illegal conduct.

12. Emergency defence costs

If it is not possible for *you* to obtain *our* consent prior to incurring *defence costs* for a *claim* covered under this Section, *we* will waive prior consent provided *our* consent is obtained within thirty (30) days of the first of such *defence costs* being incurred;

provided always that:

the total amount *we* will pay under this Automatic Extension is \$100,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available.

13. Employee fidelity

We will indemnify *you* for liability for any *direct financial loss* by an *employee* committing a *dishonest act* against *you*, first *discovered* during the *period of insurance*;

provided always that:

the total amount **we** will pay under this Automatic Extension shall not exceed the amount of the Employee Fidelity & Third Party Fidelity sub-limit specified in the **certificate of insurance**. This sub-limit forms part of and is not in addition to the **aggregate section limit** and the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

14. Estates and legal representatives

The estates, heirs or legal representatives of any deceased or incompetent **insured person** shall be indemnified in respect of liabilities of that **insured person** covered by this Section provided always that any such indemnity shall be subject to all the terms and conditions of this Section in so far as they are applicable.

15. Extended claim and reporting period

If **we** refuse at expiry of this insurance to offer any renewal terms and conditions, **you** and any **insured person**, shall jointly (but not separately) have the right to request prior to the expiry of the **period of insurance** and upon payment of an amount equal to the total expiring annual premium stated in the **certificate of insurance** an **endorsement** to this Section providing for:

- a) an extension of the **extended notification period** to a period being the period of twelve (12) months immediately following the expiry of the **period of insurance**; and
- b) any **claim** made and reported to **us** during this endorsed **extended notification period** being deemed to have been made and reported to **us** immediately prior to the expiry of the **period of insurance** provided that the **claim** arises out of a **wrongful act, trustee responsibility breach** or **employment practice breach** which occurred prior to the expiry of the **period of insurance** and there is no cover for any **claim** arising out of a **wrongful act, trustee responsibility breach** or **employment practice breach** which occurred after the expiry of the **period of insurance**.

16. Fidelity investigation expenses

We will pay any reasonable expenses incurred by **you** with **our** written consent for the purposes of establishing the existence and amount of the **direct financial loss** covered under Automatic Extension Employee Fidelity and Automatic Extension Third Party Fidelity of this Section.

For sake of clarity reasonable costs payable under this Automatic Extension shall not include wages, salaries, time **defence costs** or other remuneration of any **insured person**, or the time or expenses incurred by **your clients**.

The total amount **we** will pay under this Automatic Extension is sub-limited to \$25,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate section limit** and the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available. No **excess** shall apply to this Automatic Extension.

17. Free legal consultation

During the **period of insurance** **you** are entitled to up to two (2) hours free legal advice from the appointed firm and nominated practitioner as prescribed by **us**, on any matter relating to **your** professional **operations**.

This Automatic Extension is subject to the following:

- a) the legal advice will be of a general nature;
- b) any unused hours or consultations cannot be aggregated from one **period of insurance** to another;
- c) **we** reserve the right to change the appointed firm or nominated practitioner at any time. These changes will be notified to **you** upon request;
- d) **you** may not seek legal advice on this Section or other indemnity issues concerning insurance policies issued by **us** under this Automatic Extension.

18. Identity fraud expenses

We will pay any reasonable **identity fraud expenses** incurred by **you** with **our** written consent if any party other than **you** enters into any agreement with any **third party** fraudulently representing themselves as **you**.

The total amount **we** will pay under this Automatic Extension is sub-limited to \$25,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate section limit** and the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available. No **excess** shall apply to this Automatic Extension.

19. Insured versus insured cover

Notwithstanding Exclusion Insured versus Insured, **we** will extend cover otherwise available under this Section to any individual **director** or **officer** in respect of the following:

- a) a **claim** for contribution or indemnity by another **director** or **officer** in respect of a liability for **loss** which is covered under Insuring Clause 2 – Directors and Officers Liability of this Section;
- b) a **claim** for contribution or indemnity by another **trustee** for in respect of a liability for **loss** which is covered under Insuring Clause 5 – Trustees Liability of this Section;
- c) any shareholder derivative action brought or maintained in his/her/its own right or on **your** behalf, provided the shareholder was not a **director, officer** or a **trustee** at the time of any **wrongful act** or **trustee responsibility breach**;
- d) any derivative action brought or maintained by a liquidator, administrator, receiver or administrative receiver on **your** behalf;
- e) any **claim** brought against the **director, officer** or **trustee** by any **regulatory authority** of competent jurisdiction on **your** behalf; or
- f) a **claim** brought or maintained against the **director, officer** or **trustee** by another **director, officer** or **trustee** alleging an **employment practice breach** or **discrimination**, harassment or defamation but only if such conduct occurred in the performance of their duties as

a *director, officer or trustee*;

provided always that:

- a) the person or organisation bringing, making or controlling the *claim* acts without any prior direct or indirect solicitation or enticement of or with any other *director or officer* under this Section (other than co-operation legally required by any statutory or *regulatory authority*);
- b) the *claim* is not brought about by or contributed to by and does not involve industrial disputes (whether between *you* and *your employees* or their union or otherwise), strike, picket, lock out, go slow or work to rule;
- c) the *claim* does not arise from any act or omission in respect of which liability for *loss* is covered by under another *insuring clause* or Automatic Extension of this Section;
- d) the *claim* does not arise as a result of any act or omission the subject of an Exclusion in this Section; and
- e) a *claim* by reason of an *employment practice breach* is subject to the *limit of liability* for Insuring Clause 4 – Employment Practices Liability stated in the *certificate of insurance*.

20. Joint venture cover

We agree to extend cover under this Section to an *insured person* in respect of any *claim* made against that *insured person* arising from any *joint venture* but cover shall not extend to any *claim* brought by or on behalf of any party to the *joint venture* or any *organisation or trust* established to conduct, control or manage such *joint venture*.

21. Occupational health and safety

Notwithstanding Exclusion Personal Injury and Property Damage, where *you* or a *director* or any *officer* are legally compelled by written notice received during the *period of insurance*, to attend any official *investigation*, examination, inquiry or other proceedings ordered or commissioned by any *official body* or institution alleging a breach of occupational health & safety laws of any State or Territory of Australia; *we* agree to extend cover for any *defence costs* reasonably and necessarily incurred, with *our* prior written consent;

provided always that:

- a) this Automatic Extension does not provide cover for any criminal fines, any *claim* for *compensation* by an *employee* or any liability for a *loss* in respect of a *claim* otherwise excluded by this Section; and
- b) the total amount *we* will pay under this Automatic Extension \$1,000,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available.

22. Personal Injury Cover For Trustees

Notwithstanding Exclusion Personal Injury and Property Damage, Insuring Clause 5 – Trustees Liability extends to cover liabilities for *personal injury* incurred by a *trustee* including involuntary defamation, libel or slander in the course of the administration of the *trust*;

provided always that:

- a) this cover has not been provided by a general public and products liability insurance policy purchased by the *trustee*; and
- b) the total amount *we* will pay under this Automatic Extension is sub-limited to \$1,000,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available.

23. Pollution defence costs

Notwithstanding Exclusion Pollution, *we* will extend cover to include *defence costs* incurred in respect of any *claim* against *you* or any *director* or *officer* arising out of the discharge, dispersal, release or escape of *pollutants* in the course of *your operations* that would otherwise be covered by this Section;

provided always that:

- a) the total amount *we* will pay under this Automatic Extension is \$1,000,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available; and
- b) cover is not provided for any pollution occurring in the United States of America, the Dominion of Canada or the Territories or Protectorates of those Countries.

24. Preservation of indemnity

If an *insured person* is not able to obtain payment pursuant to a lawful right of indemnity from an *organisation* insured under this Section by reason only of the *organisation* having been placed in liquidation and such payment is in respect of a liability for *loss* that would otherwise be covered by Insuring Clause 2 – Directors and Officers Liability, then *we* will extend cover under Insuring Clause 2 – Directors and Officers Liability to that *insured person*, provided the burden of furnishing satisfactory proof to obtain the benefit of this Automatic Extension shall rest entirely with the *insured person*.

25. Reinstatement in the event of a recovery

Any amounts recovered by *us* (net of *our* reasonable expenses associated with such recovery) following a paid *claim* under this Section shall proportionally reduce the impairment of the *limit of liability*.

26. Retirement cover for insured persons

If **you** do not renew this Section or do not replace it with any other insurance providing coverage similar to that provided under Insuring Clause 2 – Directors and Officers Liability and do not purchase an extension to the **extended notification period** pursuant to Automatic Extension Extended **Claim** and Reporting Period, then any **insured person** who retired from all employment or office prior to expiry of the **period of insurance** shall but only in respect of a **claim** against them be entitled under this Automatic Extension to:

- a) an extension of the **extended notification period** to a period being the period of 84 months immediately following the expiry of the **period of insurance**; and
- b) any such **claim** made and reported to **us** during this extended **extended notification period** shall be deemed to have been made and reported to **us** immediately prior to the expiry of the **period of insurance** provided always that the **claim** arises out of a **wrongful act**, or **employment practice breach** which occurred prior to the date of their retirement and there is no cover for any claim arising out of a **wrongful act**, or **employment practice breach** which occurred after the date of their retirement.

This Automatic Extension confers no entitlement or benefit on **you** or any other **insured person**.

27. Run-off after merger or consolidation

If **you** merge or are consolidated with or become the subsidiary of another incorporated **organisation**, or sell all or substantially all **your** assets to another incorporated **organisation**, the **you** and all **insured persons** shall have jointly (but not separately) the option to:

- a) an extension of the **extended notification period** to a period being period of twelve (12) months immediately following the expiry of the **period of insurance**; and
- b) any such **claim** made and reported to **us** during this **extended notification period** shall be deemed to have been made and reported to **us** immediately prior to the expiry of the **period of insurance** provided always that the **claim** arises out of a **wrongful act**, or **employment practice breach** which occurred prior to the date of such merger, consolidation or sale and there is no cover for any **claim** arising out of a **wrongful act**, or **employment practice breach** which occurred after the date of such merger, consolidation or sale.

provided always that:

- a) the right to this Automatic Extension is exercised in writing prior to the expiry of the **period of insurance**;
- b) there has been and is no **known circumstance** or **claim** against **you** or any **insured person** to which this Section may respond;
- c) **you** agree to pay each year the premium **we** require; and
- d) in the event this Automatic Extension is exercised, Automatic Extension Extended **Claim** and Reporting Period will not apply.

28. Run-off cover for outside directorships

In the event that an **insured person** ceases to act as an **outside director** of an **outside entity** (as defined within this Section) at any time prior to or during the **period of insurance**, then this Section shall continue to apply with respect to any **claim** first made against such **insured person** during the **period of insurance** or the **extended notification period** (if applicable);

provided always that:

- a) cover is only provided with respect to any **wrongful act** or **employment practice breach** committed prior to the date such person ceased to be an **outside director** of such **outside entity** and committed during the time such person was an **outside director** of such **outside entity**;
- b) cover is not provided for any **wrongful act** or **employment practice breach** preceding the **retroactive date** shown in the **certificate of insurance**.

29. Run-off cover for subsidiary organisations

In the event that a **subsidiary organisation** ceases to be a **subsidiary organisation** during the **period of insurance**, then this Section shall continue to apply with respect to any **claim** made against such **subsidiary organisation** and any **insured person** during the **period of insurance** or the **extended notification period** (if applicable);

provided always that:

- a) cover is only provided in respect of any **wrongful act** or **employment practice breach** committed prior to the date such entity ceased to be a **subsidiary organisation** and committed during the time such entity was a **subsidiary organisation**;
- b) cover is only provided for any **direct financial loss** resulting from **dishonest acts** committed prior to the date such entity ceased to be a **subsidiary organisation** and committed during the time such entity was a **subsidiary organisation** or otherwise covered by this Section;
- c) cover is not provided for any **wrongful act** or **employment practice breach** preceding the **retroactive date** shown in the **certificate of insurance**.

30. Spousal liability cover

We agree to pay on behalf of the lawful **spouse** of an **insured person** their liability for all **loss** as a result of an alleged **wrongful act**;

provided always that **we** shall only indemnify the **spouse** in respect of **loss**:

- a) arising from a **claim** made against the lawful **spouse** only because he or she is the lawful **spouse** of the **insured person**;
- b) which is not brought by reason of the lawful **spouse** being knowingly or recklessly party to or involved in any **wrongful act**; and
- c) relating to **property** either jointly held by the **insured person** and his or her lawful **spouse**, or transferred by that **insured person** to his or her lawful **spouse** for legitimate purposes only.

Where a conflict arises between this Automatic Extension and Exclusion Insured versus Insured of this Section, the provisions of this Automatic Extension shall prevail.

31. Tax audit

We will refund *you* for *professional fees* incurred by *you* following completion of a *tax audit* and/or in connection with such *tax audit* commenced or completion of a *tax audit* and notified to *us* during the *period of insurance*, provided *you*:

- a) lodged any taxation and other returns for the period that is the subject of the *tax audit* and have paid all taxes within ninety (90) day of the time limits prescribed by relevant legislation, or if an extension is granted by the Commissioner of Taxation, within the further period granted; and
- b) have made full and complete declarations of all relevant liabilities, income and capital gains derived by *you* and of all Commonwealth, State or Territory taxation liabilities due to be paid or remitted by *you* during the audited period, and all deductions including capital losses or other amounts claimed by *you* in respect of the same period; and
- c) respond to letters, requests and enquiries from the *auditor* within a reasonable time.

For the purpose of this Automatic Extension, the *tax audit* commences at the time *you* or *your* accountant or other financial adviser, *registered tax agent* or legal adviser first receive notice that an *auditor* proposes to conduct a *tax audit* and is completed at the earlier of when either;

- a) the *auditor* has given written notice to that effect; or
- b) the *auditor* notifies *you* that it has made a concluded decision; or
- c) the *auditor* has issued an assessment or an amended assessment of *your* returns; or
- d) in the absence of any of the above, where *you* declare in writing that such a *tax audit* has been concluded.

The total amount *we* will pay under this Automatic Extension is sub-limited to amount specified in the schedule. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available. No *excess* shall apply to this Automatic Extension.

32. Third party discrimination and sexual harassment

We will indemnify *you* or an *insured person* for liability for *loss* arising out of any *third party claim* alleging any *third party discrimination* or *third party sexual harassment*, which *third party claim* is first made against *you* or an *insured person* during the *period of insurance* and notified to *us* during either the *period of insurance* or the *extended notification period*;

provided always that:

the total amount *we* will pay under this Automatic Extension is to \$1,000,000 in the aggregate. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available. This Section *excess* applicable to Insuring Clause 4 – Employment Practices Liability will apply for any *claim* made under this Automatic Extension.

33. Third party fidelity

We will indemnify *you* for liability for any *direct financial loss* by a *third party* committing a *dishonest act* against *you*, first *discovered* during the *period of insurance*;

provided always that:

the total amount *we* will pay under this Automatic Extension and Automatic Extension Employee Fidelity shall not exceed the amount of the Employee Fidelity and Third Party Fidelity sub-limit specified in the *certificate of insurance*. This sub-limit forms part of and is not in addition to the *aggregate section limit* and the *limit of liability* and the *aggregate limit of liability* applicable to any *insuring clause* under which cover is available.

For the purposes of this Automatic Extension, *third party* may include a *volunteer*.

34. Waiver of excess

No *excess* shall apply or *we* agree to reimburse an *insured person* for any payments made within the *excess*, in relation to a *claim* where final judgement is obtained and no *insured person* is liable in respect of that *claim* provided always that this Automatic Extension does not apply to any *claim* that is settled prior to such final judgement being obtained.

Specific Conditions applicable to Management Liability Section

Excess

1. If in respect of any one or more *insuring clause* and *Automatic Extension* an *excess* is shown in the *certificate of insurance* then subject to all of the terms and conditions of this Section including the applicable *limit of liability*, *aggregate limit of liability* and *aggregate section limit we* shall only be liable for amounts otherwise covered by this Section exceeding that *excess*.
2. Should any one *wrongful act*, *trustee responsibility breach* or *employment practice breach* result in more than one *claim* being made against *you* or an *insured person* only one *excess* will apply. This *excess* will be the highest of any *excess* noted in the *certificate of insurance* which applies to any relevant *insuring clause* or *Automatic Extension* under which cover is available in respect of those *claims*.
3. With respect to Automatic Extension Employee Fidelity, Automatic Extension Third Party Fidelity and Automatic Extension Fidelity

Investigation Expenses, a series of related, repeated or continuous **dishonest acts** shall be treated as giving rise to a single **direct financial loss** and, as such, a single **excess** is payable.

4. In the event of a **claim** being based on separate, different or additional **wrongful acts, trustee responsibility breaches** or **employment practice breaches** then the applicable **excess** shall apply in respect of each **wrongful act, trustee responsibility breach** or **employment practice breach**.
5. **Defence costs** are subject to the **excess** applicable to each selected **insuring clause** or Automatic Extension under which they are otherwise covered.
6. All **claims** arising from:
 - a) a single wrongful act, trustee responsibility breach or employment practice breach by you or an insured person;
 - b) multiple but interrelated **wrongful acts, trustee responsibility breaches** or **employment practice breaches** by you or an insured person; or
 - c) **wrongful acts, trustee responsibility breaches** or **employment practice breaches** by you or an insured person which arise from the same or a related source;shall be deemed one **claim** and such **claim** shall be deemed to have been made at the time when the earliest of the **claims** was first made against you or an insured person.
7. You will be responsible for the first 20% of each **crisis loss** in respect of Insuring Clause 8 – Organisation Crisis Cover, such amount not exceeding \$5,000 or such other maximum **excess** for this coverage as shown in the **certificate of insurance**. All interrelated **crises** shall be deemed as one and the same **crisis** and also deemed to have occurred at the earliest time of the first **crisis**.

Geographic limits

Except for **claims** arising under Insuring Clause 4 – Employment Practices, Insuring Clause 6 – Statutory Liability, Automatic Extension Employee Fidelity, and Automatic Extension Third Party Fidelity, the indemnity provided by this Section shall apply to **wrongful acts** occurring anywhere in the world;

provided always that indemnity does not extend to:

- a) actions brought in or determined pursuant to the law of, the United States of America or the Dominion of Canada, or their Territories or Protectorates;
- b) any **claim** arising out of the enforcement of judgments, orders or awards obtained in or determined pursuant to the laws of the United States of America or the Dominion of Canada, or their Territories or Protectorates; or
- c) any country where you are required by the law of that country to have in force a local policy of insurance covering liability arising from any such **wrongful acts**.

For **claims** arising under Insuring Clause 4 – Employment Practices, Insuring Clause 6 – Statutory Liability, Automatic Extension Employee Fidelity and Automatic Extension Third Party Fidelity, cover is restricted within **wrongful acts, employment practices breaches** and **direct financial losses** occurring within Australia.

Merger or consolidation

If you merge or are consolidated with or become the **subsidiary** company of another entity during the **period of insurance**, we will continue to provide the indemnities available under this Section to you, your **subsidiary** companies and **insured persons**, until the expiry of the **period of insurance** or prior cancellation of this Section in respect of **wrongful acts** preceding the time of such merger, consolidation or acquisition.

Settlement of claims, co-operation and conduct of proceedings

You must not make any admission of liability, offer, and promise of payment, take any action that may be considered to be an admission of liability, settle or repudiate a **claim** or incur any costs and expenses without our prior written consent, such consent which cannot be unreasonably withheld.

We will have discretion, after taking into consideration your interest and preference, in the conduct and defence, in your name and on your behalf (including to take over and conduct), of any proceedings in connection with, and in the settlement of any **claim** and you shall give all such information and assistance as we may require.

You must shall as soon as reasonably practicable give all such information and assistance to us as we may reasonably require to enable us to investigate and to defend the **claim** and/or to enable us to determine our liability under this Section.

We may take whatever reasonable action that we consider appropriate in respect of the **claim** against you and such action by us will not be regarded in any way prejudicing our position under this Section and no admission of the entitlement to indemnity under this Section shall be implied.

We will be entitled to attend any **investigation** or fatal accident inquiry in respect of which there may arise any liability under this Section.

Notification of direct financial loss

You, as a condition precedent to our obligations under this Section, give written notice to us of any **direct financial loss** as soon as reasonably practicable within the **period of insurance**, or within the **discovery period** if applicable, but in any event not later than sixty (60) days after any **direct financial loss** is first **discovered**. We can consider extending this period upon your request and our decision will not be unreasonably withheld. You may offer a comparison between your inventory records and actual physical counts of its inventory to prove the amount of **loss** only where you establish that, wholly apart from such comparison, you have sustained a covered **loss** caused by an **employee**.

You must, at **your** own cost, also:

- a) provide **us** with affirmative proof of the **direct financial loss** with full particulars within six (6) months of the **direct financial loss** being first **discovered**. We can consider extending this period upon your request and our decision will not be unreasonably withheld, and
- b) provide **us** with all requested information and documents and co-operate with **us** in a reasonable manner on matters pertaining to the **direct financial loss**.

Basis of valuation of direct financial loss

For any **direct financial loss** covered under this Section, **we** are not liable for more than:

- a) the actual market value of **securities** and **money** at the close of business on the day the **direct financial loss** was first **discovered** (determined by the value published in the Australian Financial Review), or the actual cost of replacing **securities** and **money**, whichever is less;
- b) the actual cash value of other **property** (not referred to in (a) above) at the close of business on the day the **direct financial loss** was first **discovered**, or the actual cost of replacing the **property** of like quality or value, whichever is less;
- c) the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by **you** in order to reproduce books of account and other records.

Settlement of direct financial loss

If **you** notify **us** of a **direct financial loss** and **we** accept the notification under this Section, subject to **your** compliance with Exclusion Known Circumstances or Prior Acts applicable to Part C, a loss adjustor will be appointed by **us** to establish proof of any element or part of the **direct financial loss** not yet accepted by **us**.

The loss adjustor shall:

- a) investigate the facts behind such unproven **direct financial loss**; and
- b) determine the quantum of such unproven **direct financial loss**, and
- c) advise when and how **your** controls were or may have been breached; and
- d) provide recommendations which may prevent future similar **direct financial loss**; and
- e) issue their findings in a report format approved by **us**; and
- f) provide a copy of the report to **you** and to **us**.

The report of the loss adjustor will not be binding and definitive as to the facts and quantum of such unproven **direct financial loss**.

We will pay for the reasonable and necessary fees, costs and expenses of the loss adjustor provided the unproven **direct financial loss** is ultimately determined to be covered under this Section. If that part of the **direct financial loss** is determined not to be covered under this Section, **you** will pay the said fees, costs and expenses of the loss adjustor.

Any amount of the loss adjusting fees paid by **us** under this Section of the **policy** will be paid in addition to the **limit of liability**, and will not be the subject of any **excess**.

Part D: Personal Accident

Personal Accident Section

This Section only forms part of *your policy* when Personal Accident Section is shown in *your certificate of insurance*.

Specific Definitions applicable to Personal Accident Section

In addition to the words or phrases shown as General Definitions, whenever the following words appear in bold italics in this Section, they have the meaning shown below. If there is a General Definition for the same word or phrase which is inconsistent, the following specific definition will prevail in this Part.

benefit period means the maximum number of weeks shown in the *certificate of insurance* for which the ***total disablement*** or ***partial disablement*** benefits shown in the *certificate of insurance* are payable following the end of the ***deferral period***.

bodily injury means bodily injury caused solely and directly by an accident, including exposure to the elements subsequent to an accident, which occurs during the ***period of insurance*** (but does not include any condition which is also a sickness or disease or any degenerative condition unless caused as a direct result of a ***bodily injury***). Provided that the ***bodily injury*** results solely and independently of any other cause (including pre-existing physical or congenital conditions) and results in any of the events specified in the table of events below within 12 calendar months from the date of such accident.

capital benefits means the amount shown in *your certificate of insurance* for capital benefits.

deferral period means the period of time shown in the *certificate of insurance* during which no benefits are payable for temporary ***total disablement*** or ***partial disablement***.

direct travel means travel between a ***volunteer's*** place of residence and his or her place of voluntary work and shall include any minor deviations or interruptions which in no way increase the risk of injury that would normally have arisen had the ***volunteer*** travelled directly.

income means:

- a) for a "salaried ***employee***" (not otherwise covered below), their weekly pre-tax income, excluding commission, bonuses, overtime payments and any allowances, averaged during the period of twelve (12) months immediately preceding the date of temporary ***partial disablement*** or temporary ***total disablement*** (whichever is relevant) or over such shorter period as they have been employed; or
- b) for a "salary packaged" ***employee***, their weekly pre-tax income derived from personal exertion (including, but not limited to wages, motor ***vehicle*** and/or travel allowances, club subscriptions and fees, housing loan or rental subsidy, excluding bonuses, commissions, overtime payments), averaged over the period of twelve (12) months immediately preceding the date of temporary ***partial disablement*** or temporary ***total disablement*** (whichever is relevant) or over such shorter period as they have been employed; or
- c) for a "self-employed person", their weekly pre-tax income derived from personal exertion after deduction of all expenses incurred in connection with the derivation of that income, averaged over the period of twelve (12) months immediately preceding the date of temporary ***partial disablement*** or temporary ***total disablement*** (whichever is relevant) or over such shorter period as they have been self-employed.

insured person means the persons specified in the *certificate of insurance* under Category A and/or B.

limb means an arm at or above the wrist or a leg at or above the ankle whether in the singular or plural.

member means any person officially registered for membership with the insured ***organisation***.

partial disablement means disablement that prevents the ***insured person*** from substantially attending to the ***insured person's*** usual occupation as certified by a ***medical practitioner***.

permanent means lasting in excess of 12 calendar months from the commencement of ***total disablement*** or ***partial disablement*** and at the end of that period being considered unlikely to improve and will continue for an indefinite period.

professional sporting activities means any sporting activity whereby the participant is being paid to play.

student means any person officially enrolled for education or training with the insured ***organisation***.

total disablement means disablement that entirely prevents the ***insured person*** from carrying out all the normal duties of the ***insured person's*** usual occupation as certified by a ***medical practitioner***.

weekly bodily injury benefits means the amount shown in *your certificate of insurance* for weekly bodily injury benefits.

Who is covered

We will cover ***bodily injury*** to persons insured under the following categories if shown in *your certificate of insurance*:

Category A: All ***volunteers*** of the insured ***organisation***.

Category B: All ***students/children*** and/or ***members*** of the insured ***organisation***.

What is covered

Category A: If during the **period of insurance** and while performing voluntary work for **you** including any **direct travel** to and from the place of work, a **volunteer** suffers **bodily injury**, **we** will pay the **volunteer** the corresponding percentage set out in the table of benefits, provided the **bodily injury** occurs within 12 months of the date of the accident.

Category B: If during the **period of insurance** and while participating in activities of or receiving services of the insured **organisation**, a **child**, **student** or **member** suffers **bodily injury**, **we** will pay the **child's** parent or guardian, **student** or **member** the corresponding percentage set out in the table of benefits, provided the **bodily injury** occurs within 12 months of the date of the accident.

The **insured person** or his/her legal representative must supply **us** with appropriate supporting medical information from a **medical practitioner** in relation to any **claim** made under this Section.

What is not covered

In addition to the General Exclusions applicable to all Sections of this **policy**, **we** will not pay for any **claim** directly or indirectly arising from or connected with:

1. an **insured person** who is:
 - a) intoxicated or under the influence of illegal drugs;
 - b) taking part in a riot or civil commotion;
 - c) taking part in naval, military or air force service or operations;
 - d) acting maliciously;
 - e) participating in racing, or training for racing or trialling in or on any motor powered conveyance;
 - f) engaging in any competitive **professional sporting activities** such as but not limited to football, rugby, soccer, basketball, netball, provided that this exclusion does not apply to amateur/recreational/social games;
 - g) engaging in any gymnastics, wrestling, underwater activities, mountaineering, cliff or rock-climbing, abseiling, flying fox/giant swings, cycling and mountain bike riding, white water rafting/canoeing (above class 2 rapids), water skiing, power boating, snow skiing/boarding, hunting, polo, snow or ice sports, parachute jumping, sky diving, hang gliding, skateboarding, ice-skating, leap of faith/pamper pole activities, archery, sea-kayaking, paintball/skirmish, fun runs, ropes courses, surfing, horse riding, trail/motor bike riding, four wheel driving, riding or driving in any kind of race, caving, rifle/firearms shooting, quad-bike riding, paragliding, dune buggy riding, vertical and horizontal bungee jumping, hot air ballooning, gladiator games, go-karting, boxing, activities whilst blindfolded (except where the **insured person** is involved in these sports in a non-participative and/or coaching or supervisory capacity). Provided that the above exclusion shall not apply to specific above activities that **we** have agreed by **endorsement** to this Section;
 - h) travelling in any unlicensed **aircraft** or flying or engaging in any other aerial activity as part of an **aircraft's** crew.
2. death or **bodily injury** or **illness** sustained by an **insured person** whilst:
 - a) engaged in demolition, erection, construction or structural alteration of buildings, bridges, roads, tunnels or dams; and/or
 - b) using power equipment, unless it is proven by **you** that such **insured person** had the necessary skills for and experience to be involved in such activity.
3. any type of hernia suffered by an **insured person**, unless caused as result of an accident during the **period of insurance**.
4. suicide, attempted suicide or any deliberately self-inflicted **bodily injury**.
5. any illegal or criminal act committed by an **insured person**.
6. pregnancy, childbirth, miscarriage or the complications of these conditions.
7. any known condition existing prior to commencement of this Section of the **policy**, or aggravation of any such condition or degenerative condition unless such condition has been notified to us in writing and accepted by **us** in writing, and you agree to pay any extra premium applied by **us**. Our decision on acceptance of such conditions shall not be unreasonably withheld.
8. death or **bodily injury** which would not have occurred but for the presence of **asbestos**.
9. **illness** except where caused directly as a result of **bodily injury**.
10. any benefit for the **deferral period** shown in the **certificate of insurance**.
11. **total disablement** or **partial disablement** due to **bodily injury** that is not supported by medical certification from a **medical practitioner**.
12. any benefits where the **insured person** receives or is entitled to receive **compensation** under workers or transport accident compensation legislation or any other insurance policy specifically covering the same risk, provided that this Section will provide the difference in benefit where the benefits under this Section exceed the other benefits to which the **insured person** is entitled.

Insured events

Table of insured events		Table of benefits
Bodily injury resulting solely and directly and independently of any other cause in:		Benefit payable as a percentage of the Capital Benefits shown in the <i>certificate of insurance</i>
1. Death	2. Permanent total disablement	100%
3. Permanent and incurable paralysis of all <i>limbs</i>	4. Permanent total loss of sight of both eyes	
5. Permanent total loss of use of two <i>limbs</i>	6. Permanent and incurable major brain damage	
7. Permanent total loss of hearing in both ears		
8. Permanent total loss of use of four fingers and thumb of either hand	9. Permanent total loss of use of four fingers of either hand	75%
10. Permanent total loss of sight of one eye	11. Permanent loss of use of one <i>limb</i>	
12. Permanent loss of use of one hand or one foot	13. Permanent total loss of hearing in one ear	50%
14. Permanent disfigurement from burns to more than 25% of the surface area of the head and neck	15. Permanent loss of speech	
16. Permanent disfigurement from burns to more than 25% of the surface area of the remainder of the body other than head and neck	17. Permanent loss of use of thumb (two joints)	30%
18. Permanent partial disablement		25%
19. Permanent loss of use of thumb (one joint)	20. Permanent loss of use of toes (all either foot)	15%
21. Permanent loss of use of fingers (three joints)		10%
22. Permanent loss of use of fingers (two joints)	23. Shortening of leg by at least 5cm	7%
24. Permanent loss of use of big toe (both joints)		6%
25. Permanent loss of use of fingers (one joint)		5%
26. Permanent loss of use of big toe (one joint)		3%
27. Permanent loss of use of toes (per toe, other than big toe)		1%
28. Fracture to vertebrae (excluding paralysis) that requires surgery	29. Rupture of internal organs	\$5,000
30. Fracture to hip, pelvis, skull		\$3,000
31. Fracture to vertebrae (excluding paralysis) that does not require surgery		\$2,500
32. Loss of testicle		\$2,000
33. Fracture to leg or patella with established non-union	34. Knee injury (ligament)	\$1,500
35. Fracture to any finger, thumb, toe, hand, foot (compound)	36. Fracture to arm, elbow, wrist, ankle, knee, leg (compound)	\$1,250
37. Fracture to head (any bones other than skull or spine)		\$1,000
38. Fracture to shoulder	39. Fracture to collarbone, sternum	\$750
40. Fracture to jaw		\$500
41. Fracture to arm, elbow, wrist, ankle, knee, leg (closed)		\$350
42. Fracture to cheekbone		\$300
43. Fracture to any finger, thumb, toe, hand, foot (closed)		\$250
44. Fracture to ribs		\$200
45. Fracture to nose		\$100

46. Loss or damage to <i>permanent</i> (second) teeth	\$500 per tooth, maximum \$3,000 in total
47. Loss or damage to first (milk) teeth	\$250 per tooth, maximum \$1,500 in total
48. Temporary <i>total disablement</i>	100% of the <i>weekly bodily injury benefit</i> or 80% of the average weekly <i>income</i> , whichever is the lesser, during the <i>benefit period</i> .
49. Temporary <i>partial disablement</i>	50% of the <i>weekly bodily injury benefit</i> or 50% of the average weekly <i>income</i> whichever is the lesser, during the <i>benefit period</i>

Special Provisions applicable to the Table of Benefits

In relation to the table of benefits:

1. for events 1 to 47, *we* will pay the percentage of the *capital benefits* amount shown in the *certificate of insurance* against the events provided that:
 - a) the aggregate total of all payments under events 1 to 47 inclusive will not exceed 100% of the *capital benefits* stated in the *certificate of insurance* for any one *insured person*, any one *bodily injury*;
 - b) any *compensation* paid or payable for events 1 to 47 will be reduced by any sum paid or payable for events 48 or 49 in respect of the same *bodily injury*.
2. for events 48 or 49 *we* will pay the percentage of the *weekly bodily injury benefits* shown in the *certificate of insurance* against the particular event provided that:
 - a) if events 48 and 49 happen to an *insured person* in respect of the same *bodily injury we* will only pay the higher of benefits listed;
 - b) *we* will not make payment any longer in the aggregate than the *benefit period* shown in the *certificate of insurance*;
 - c) *we* will not pay any injured *insured person* who is not engaged in employment, a profession or paid occupation or who as a result of his/her *bodily injury* does not suffer a loss of *income*.
3. after the occurrence of any one of events 1 to 7, which results in benefits being paid in accordance with this table of benefits for any one *insured person*, *we* will have no further liability under this Section in respect of that particular *insured person* in respect to that occurrence.
4. if, as a result of *bodily injury*, *weekly bodily injury benefits* have been paid under this table of benefits and the *insured person* suffers a recurrence of *total disablement* or *partial disablement* while this Section of the *policy* is in force as a result of the same or a related cause or causes, this subsequent period of *total disablement* or *partial disablement* will be deemed to be a continuation of the prior period of *total disablement* or *partial disablement* and will not be subject to a further *deferral period*. However, if between such periods the *insured person* has performed the normal duties of his/her usual occupation on a full-time basis for at least six consecutive months, any subsequent period of *total disablement* or *partial disablement* will be deemed to be the result of a new *bodily injury* and subject to a new *deferral period*.
5. any benefits payable under this Section will be reduced by the amount of *compensation* the *insured person* receives or is entitled to receive in respect of the *bodily injury* under workers or transport accident compensation legislation, or other legislative schemes or established funds.

Automatic Extensions

Under this Section:

We will also pay:	We will not pay:
<p>1. Exposure and disappearance</p> <p><i>We</i> will also pay the percentage shown in the table of benefits for capital benefits, weekly bodily injury benefits as shown in your certificate of insurance if as a result of bodily injury the insured person is exposed to the elements and as a result of that exposure within twelve (12) months suffers an event set out in the table of events.</p> <p>If the body of an insured person is not found within twelve (12) months after disappearance, death will be presumed in the absence of any evidence to the contrary. The capital benefit amount set out in the table of benefits will become payable, subject to a signed undertaking by the beneficiary that, if the insured person is subsequently found alive, such death benefit amount shall be refunded to us.</p>	<p>a) more than the percentage shown in the table of benefits for capital benefits, weekly bodily injury benefits as shown in your certificate of insurance.</p>
<p>2. Emergency travel / accommodation expenses</p> <p><i>We</i> will also pay emergency travel, accommodation and other expenses necessarily and reasonably incurred solely and directly as result of bodily injury sustained and not recoverable from any other source, but excluding hospital and/or medical costs where legislation prohibits in Australia the refund of such fees or costs.</p>	<p>a) more than \$5,000 for this Automatic Extension.</p>
<p>3. Domestic Help</p> <p><i>We</i> will also pay the cost of domestic help where the occurrence of an insured event necessitates expenditure for the employment of domestic help including care for children or dependents, provided that:</p> <p>a) the domestic help is carried out by persons other than members of the insured person's family or other relatives or persons permanently living with the insured person; and</p> <p>b) the requirement for domestic help at home is certified by a duly qualified medical practitioner as being essential owing to the nature of the injury for the recovery of the insured person.</p>	<p>a) no benefit is payable for the first 7 days of disablement;</p> <p>b) more than \$5,000 in total for this Automatic Extension.</p>
<p>4. Weekly child carer's benefit</p> <p>If bodily injury prevents a child from attending school and requires a child to be cared for at home or elsewhere in accordance with the instructions or professional advice of a qualified medical practitioner <i>we</i> will pay either:</p> <p>a) loss of income incurred by the child's parent or guardian if he/she is unable to engage in his/her usual employment in order to care for the child; or</p> <p>b) the expenses necessarily incurred in engaging a qualified carer during the hours that the child would otherwise have attended the school.</p>	<p>a) more than \$200 for each day that the child is unable to attend school;</p> <p>b) no benefit is payable for the first 3 days that the child is unable to attend school;</p> <p>c) <i>we</i> will not pay any benefit during the period that the child's parent or guardian is entitled to paid carer's leave from his/her employer;</p> <p>d) <i>we</i> will not pay any benefits, where the child is admitted or being cared for in a hospital;</p> <p>e) more than \$10,000 in total for this Automatic Extension.</p>
<p>5. Work Transport Benefit</p> <p>On the occurrence of temporary partial disablement (Event 49) and in the event that an insured person requires transportation assistance in order to get to and from their usual place of employment or Return To Work Program Assistance location due to their disablement, <i>we</i> will refund upon receipt of tax invoices, reasonable actual transport costs. Transportation assistance must be provided by a licensed public transportation provider, such as a bus, train, taxi, ferry operator or the like. The provider of the transportation cannot be someone who is either related to, or lives with the insured person.</p>	<p>a) more than \$50 for each day transportation assistance is required;</p> <p>b) more than \$6,500 in total for this Automatic Extension.</p>

<p>6. Reimbursement of Club Membership Fees</p> <p>On the occurrence of any of the Insured Events 1 to 27 and where an <i>insured person</i> will no longer reasonably derive any benefit from membership of a recreational or professional club or association, <i>we</i> will reimburse the <i>insured person</i>, on a pro-rata basis from the date of injury, upon actual receipt of tax invoices, provided that the opinion that the <i>insured person</i> will not derive any benefit from membership is certified by a duly qualified <i>medical practitioner</i> owing to the nature of the injury.</p>	<ul style="list-style-type: none"> a) more than \$600 per membership; b) for more than two memberships.
<p>7. Indexation to Weekly Benefits after 12 Months</p> <p>After payment of the benefit amount under Insured Events 48 or 49 continuously for 12 months, and again after for each subsequent period of 12 months for which a benefit is payable, the benefit will be increased by 5% per annum on a compound basis.</p>	
<p>8. Return to Work Program Assistance</p> <p>On the occurrence of Insured Event 48 or 49, <i>we</i> will reimburse expenses for participation in a return to work program, retraining program, or rehabilitation program by the <i>insured person</i>, provided such participation is undertaken with <i>our</i> written consent and the agreement of the <i>insured person's medical practitioner</i>.</p>	<ul style="list-style-type: none"> a) more than the actual costs incurred by the <i>insured person</i> but not exceeding \$5,000 in total.
<p>9. 26 Weeks Guaranteed Up-front Payment</p> <p>If an <i>insured person</i> sustains a <i>bodily injury</i> or is entitled to benefits under insured event 49 and upon receipt of medical evidence from a <i>medical practitioner</i> certifying that the total period of <i>temporary total disablement</i> will be a minimum of 26 weeks, <i>we</i> will immediately pay 26 weeks benefits as provided for in the <i>certificate of insurance</i>.</p>	
<p>10. Funeral Costs</p> <p>If during the insurance period an <i>insured person</i> sustains an injury resulting in death <i>we</i> will also pay in addition to the <i>capital benefit</i> all reasonably incurred charges for the cost of a funeral.</p>	<ul style="list-style-type: none"> a) more than \$5,000 in total for this Automatic Extension.
<p>11. Home Tutoring Costs</p> <p>If an <i>insured person</i> attending school suffers disablement in respect of which <i>compensation</i> would have been payable under items 48 and 49 of the Table of Insured Events, except that no <i>compensation</i> is payable by reason of special provision 2c, <i>we</i> will pay the weekly cost of home tutorial reasonably and necessarily incurred by the <i>insured person</i>, provided that:</p> <ul style="list-style-type: none"> a) the requirement for home tutoring is certified by a duly qualified <i>medical practitioner</i> as being essential owing to the nature of the injury for the recovery of the <i>insured person</i>; and b) the home tutorial is carried out by persons other than members of the <i>insured person's</i> family or other relatives or persons permanently living with the <i>insured person</i>. 	<ul style="list-style-type: none"> a) any benefit for the first 7 days of disability; b) more than \$200 per week for a maximum of 26 weeks.
<p>12. Home/Car Renovation Benefit</p> <p>If an <i>insured person</i> sustains a <i>bodily injury</i> and whereby a <i>medical practitioner</i> certifies that home and/or car modification is required, <i>we</i> will pay, upon receiving invoices, such modification expenses.</p>	<ul style="list-style-type: none"> a) more than \$15,000 in total for this Automatic Extension.

<p>13. Other out of pocket expenses</p> <p><i>We</i> will also pay other expenses not otherwise insured under this Section and necessarily incurred solely and directly from <i>bodily injury</i> sustained and not recoverable from any other source, but excluding hospital and/or medical costs where legislation prohibits in Australia the refund of such fees or costs, provided that:</p> <p>a) any <i>claim</i> for medical expenses is certified by a <i>medical practitioner</i>; and</p> <p>b) any <i>claim</i> for medical expenses is subject to an <i>excess</i> of \$100.</p>	<p>a) more than \$5,000 in total for this Automatic Extension.</p>
<p>14. Corporate image protection</p> <p>If an <i>insured person</i> suffers a <i>bodily injury</i> that in <i>our</i> opinion is likely to result in a valid <i>claim</i> under this Section in respect to Events 1 or 2, <i>we</i> will reimburse <i>you</i> for costs (other than <i>your</i> own internal costs) incurred for the engagement of image and/or public relations consultants, and/or the release of information through the media. Costs must be incurred within 20 days of, and directly in connection with the <i>bodily injury</i> to protect and positively promote <i>your organisation's</i> image. This is subject to <i>you</i> giving <i>us</i> a signed undertaking that any amount paid to <i>you</i> will be repaid to <i>us</i> if it is later found that a valid <i>claim</i> did not or will not eventuate.</p>	<p>a) more than \$5,000 in total for any one event or set of circumstances.</p>

How much we will pay

For any ***insured person*** under the age of 18 years or over the age of 75 years, the maximum ***capital benefit*** is \$50,000 or the amount shown on ***your certificate of insurance***, whichever is the lesser, and the maximum ***weekly bodily injury benefit*** is \$1,000 or the amount shown on ***your certificate of insurance***, whichever is the lesser.

Our total liability for any one accident in respect of one ***insured person*** shall not exceed the ***capital benefits*** and/or the ***weekly bodily injury benefits*** shown in the ***certificate of insurance***.

Further, ***our*** total liability for any one accident for any one ***insured person*** in respect of the Automatic Extensions shall not exceed \$20,000.

For all ***claims*** resulting from any one occurrence, ***we*** will not be liable for any amount in excess of the ***aggregate limit of liability*** stated in the ***certificate of insurance*** for all ***insured persons*** under this Section of the ***policy***. In the event that all benefits payable exceed the ***aggregate limit of liability***, benefits will be payable in respect of each ***insured person*** on a pro rata basis.

Initial period excluded

We will not pay any benefit during the ***deferral period*** shown in the ***certificate of insurance*** for Events 48 - temporary ***total disablement***, and 49 - temporary ***partial disablement***.



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