Section 8 General terms and conditions 18
Investigation, defence and settlement of claims 18
8.1 We must be told about claims 18
8.2 Claims co-operation 18
8.3 We can protect our position 18
8.4 Disclosure of information to us in respect of cover 18
8.5 We can manage the covered claim 19
8.6 An insured must not admit liability for or settle any covered claim 19
8.7 Policyholder’s right to contest 19
8.8 Senior counsel 19
8.9 Payments to settle potential claims 19
8.10 Recovering money from employees 19
8.11 Offsetting of costs and expenses 19
8.12 Loss prevention 19
8.13 Other insurance which may cover the risk 20
8.14 Severability and non-imputation 20
8.15 Allocation 20
8.16 Payment in Australian dollars in Australia 20
Other matters 20
8.17 Material change in the risk 20
8.18 Authority to accept notices and to give instructions 20
8.19 Law of the policy 20
8.20 Territory covered by this policy 20
8.21 Schedule must be included 21
Cancelling the policy 21
8.22 The policyholder can cancel the policy 21
8.23 We can cancel the policy 21
8.24 Refund of premium 21

Section 9 Words with special meanings 21
9.1 Civil liability 21
9.2 Claim 21
9.3 Claim Investigation costs 21
9.4 Cover 21
9.5 Covered claim 21
9.6 Covered matters 21
9.7 Documents 21
9.8 Employee 21
9.9 Enquiry 22
9.10 Excess 22
9.11 Former principal 22
9.12 Insured 22
9.13 Intellectual property 22
9.14 Interested Party 22
9.15 Joint venture 22
9.16 Known circumstance 22
9.17 Lost 22
9.18 Period of insurance 22
9.19 Policy 22
9.20 Policy limit 22
9.21 Policyholder 22
9.22 Pollutants 23
9.23 Premium 23
9.24 Principal 23
9.25 Professional services 23
9.26 Proposal 23
9.27 Publicity campaign 23
9.28 Run-Off event 23
9.29 Schedule 23
9.30 Specific cover limits 23
9.31 Subsidiary 23
9.32 Terrorism 23
9.33 Uncovered matters 23
9.34 We or us or our 23
Important information

How CGU protects your privacy

We use information provided by our customers to allow Us to offer Our products and services. This means We may need to collect your personal information, and sometimes sensitive information about you as well (for example, health information for travel insurance). We will collect this information directly from you where possible, but there may be occasions when We collect this information from someone else.

We will only use your information for the purposes for which it was collected, other related purposes and as permitted or required by law. You may choose not to give Us your information, but this may affect Our ability to provide you with insurance cover.

We may share this information with companies within Our group, government and law enforcement bodies if required by law and others who provide services to Us or on Our behalf, some of which may be located outside of Australia.

For more details on how We collect, store, use and disclose your information, please read Our Privacy Policy located at www.cgu.com.au/privacy. Alternatively, contact Us at privacy@cgu.com.au or 13 15 32 and We will send you a copy. We recommend that you obtain a copy of this policy and read it carefully.

By applying for, using or renewing any of Our products or services, or providing Us with your information, you agree to this information being collected, held, used and disclosed as set out in this policy.

Our Privacy Policy also contains information about how you can access and seek correction of your information, complain about a breach of the privacy law, and how We will deal with your complaint.

General Insurance Code of Practice

We proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the general insurance industry.

The objectives of the Code are:

- to commit Us to high standards of service;
- to promote better, more informed relations between Us and you;
- to maintain and promote trust and confidence in the general insurance industry;
- to provide fair and better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- to promote continuous improvement of the general insurance industry through education and training.

We have adopted and support the Code and are committed to complying with it. Please contact Us if you would like more information about the Code.

Our service commitment

We are proud of its service standards and supports the General Insurance Code of Practice. In the event that you are not satisfied with the way in which We have dealt with you, as part of Our commitment to customer service, We have an internal dispute resolution process in place to deal with any complaint you may have.

Please contact your nearest CGU Insurance office if you have a complaint, including if you are not satisfied with any of the following:

- one of Our products
- Our service
- the service of Our authorised representatives, loss adjusters or investigators; or
- Our decision on your claim.

Our staff will help you in any way they can. If they are unable to satisfy your concerns, they will refer the matter to their supervisor or manager. If the manager cannot resolve the matter, the manager will escalate the matter to Our Internal Dispute Resolution Department.

Further information about Our complaint and dispute resolution procedures is available by contacting Us.

Intermediary remuneration

We pay remuneration to insurance intermediaries when We issue, renew or vary a policy the intermediary has arranged or referred to Us. The type and amount of remuneration varies and may include commission and other payments. If you require more information about remuneration, We may pay your intermediary you should ask your intermediary.

Interest on unallocated premium

If We are unable to issue your insurance when We receive your application, We are required to hold your premium in a trust account on your behalf until your insurance can be issued.

We will retain any interest payable by Our bank to meet, among other things, bank fees and other bank costs We incur in operating the account.
Section 1
How to read this insurance policy

1.1 Words with special meanings
Some of the words in this insurance Policy have special meanings. These meanings can be found in Section 9 of the Policy (‘Words with special meanings’). If a word has a special meaning, it appears in this Policy in bold type and with a capital letter. These words may appear without bold type in endorsements in the Schedule.

1.2 Policy interpretation
Except where the context otherwise requires it:
a) the singular includes the plural and the plural includes the singular.
b) if a word or phrase is defined, its other grammatical forms have a corresponding meaning.
c) words importing a gender include every other gender.

1.3 Paragraph headings
The paragraph headings in this Policy are included for the purpose of reference only and do not form part of this Policy for interpretation purposes.

Section 2
The insurance contract

2.1 Payment of the premium
We agree to provide the Cover described in this Policy upon full payment of the Premium. If full payment of the Premium is not made, there is no Cover.

2.2 Proposal
Before this Policy came into effect, We were provided with information by or on behalf of the Insured, in the Proposal, and perhaps in other ways. We have relied on this information to decide whether to enter into this contract and on what terms. If any of that information is wrong or false, it may affect entitlement to Cover under this Policy.

2.3 Period of insurance
This Policy is in force for the Period of Insurance.

Section 3
The cover we provide

The provisions of Section 3 apply to all Sections of this Policy, unless otherwise stated to the contrary.

3.1 Civil liability cover
We Cover the Insured up to the Policy Limit (see Section 6) in respect of Claims for Civil Liability to any third party incurred in the provision of the Professional Services and which:
a) are first made against the Insured during the Period of Insurance; and
b) We are told about in writing as soon as reasonably possible during the Period of Insurance; and
c) arise from an act, error or omission on or after the ‘Retroactive Date’ as stated in the Schedule.

3.2 Examples of what we cover
By way of example, the Civil Liability We Cover in Section 3.1 includes (but is not limited to) the following types of Civil Liability Claims:
a) breach of duty (including a fiduciary duty),
b) breach of privacy or confidentiality,
c) defamation,
d) loss of or damage to Documents which were in the Insured’s physical custody or control or for which the Insured is legally responsible for, at the time of loss or damage (to the full Policy limit),
e) infringement of Intellectual Property.

3.3 Claim investigation costs
a) In respect of Covered Claims, subject to Sections 3.3 b) and 6.3, We also pay in addition to the Policy Limit (but only up to an amount equal to the Policy Limit) Claim Investigation Costs.
b) In respect of Covered Claims:
   i. first brought in a court outside Australia or New Zealand; or
   ii. brought in a court within Australia or New Zealand to enforce a judgment handed down in a court outside Australia or New Zealand; or
   iii. where the proper law of a country other than Australia or New Zealand is applied to any of the issues in any Claim or Covered Claim Covered by this Policy,

   the Policy Limit is inclusive of Claim Investigation Costs.
Section 4
Policy extensions

Subject to all the terms, conditions and exclusions of the Policy, We agree to extend Cover by the following Extensions. These Policy Extensions will not increase the Policy Limit unless expressly stated otherwise.

4.1 Advancement of claims investigation costs

a) If We elect not to take over and conduct the defence or settlement of any Claim, then We will pay all Claims Investigation Costs provided that:
   i. We have not denied Cover under the Policy and, if Cover is denied, then only up to the point of any denial of Cover; and
   ii. Our written consent (which shall not be unreasonably delayed or withheld) is obtained prior to the Policyholder incurring such Claims Investigation Costs.

b) The Insured on whose behalf or for whose benefit Claims Investigation Costs have been paid, shall repay to Us all such Claim Investigation Costs, in the event and to the extent that:
   i. an admission is made by the Insured or by any person authorised to make such an admission on behalf of the Insured, of any of the conduct as set out in Section 7.11; or
   ii. it is subsequently established, directly or indirectly, by judgment or other final adjudication, that conduct as set out in Section 7.11 occurred.

c) We will pay Claim Investigation Costs as and when they are incurred prior to final resolution of the Claim, however, We will only pay such costs if either:
   i. We incur them; or
   ii. the Policyholder incurs them after first obtaining Our prior written consent (which shall not be unreasonably delayed or withheld) and the costs and expenses are reasonable and necessary.

d) We are not obligated to defend, or to continue to defend, any Claim (or Covered Claim) or to pay, or continue to pay, any costs or expenses associated with such defence, once the Policy Limit has been exhausted.

4.3 Continuous cover

a) We Cover the Insured, for any Claim otherwise Covered by this Policy, arising from a Known Circumstance (notwithstanding Section 7.1 of this Policy) if:
   i. there has been no fraudulent non-disclosure or fraudulent misrepresentation in respect of such Known Circumstance; and
   ii. We were the professional liability insurer of the Policyholder when an Insured first knew of such Known Circumstance; and
   iii. We continued without interruption to be the Policyholder’s professional liability insurer until this Policy came into effect; and
   iv. had We been notified of the Known Circumstance when the Insured first knew of it, the Insured would have been covered in respect of the policy in force at that time and the Insured would (but for Section 7.1 of this Policy) otherwise be Covered under this Policy; and
   v. the Known Circumstance has not previously been notified to Us or to any other insurer.

b) If the Insured was entitled to have given notice of the Known Circumstance under any other policy of insurance with any other insurer, then this Extension does not apply to provide Cover under this Policy.

c) Our liability under this Extension is reduced to the extent of any prejudice We suffer as a result of any delayed notification of the Known Circumstance to Us.

d) The Policy Limit of the Cover We provide under this Extension is the lesser available under the terms of the policy in force at the earlier time referred to in paragraph a) iv. above, or under this Policy. The terms of this Policy otherwise apply.

4.4 Court attendance costs

a) We will pay to the Policyholder $500 per day as part of Claims Investigations Costs in respect of any Principal or Employee who is legally required to attend at Court for the purposes of giving evidence as a witness in connection with a Covered Claim.

b) No Excess shall apply to this Extension.

4.5 Lost documents

a) Where Cover is not otherwise provided under Section 3.1 of the Policy, We will pay the reasonable and necessary costs and expenses of replacing or restoring a third party’s Documents:
   i. for which an Insured is legally responsible; and
   ii. that have been Lost during the Period of Insurance; and
   iii. where the Lost Documents have been the subject of a diligent search by or on behalf of the Policyholder; and
   iv. which Loss We are told about in writing as soon as reasonably possible during the Period of Insurance.
b) **We** will only pay such costs and expenses if either:
   i. **We** incur them; or
   ii. the **Policyholder** incurs them after first obtaining **Our** prior written consent (which shall not be unreasonably delayed or withheld).

**c)** **We** shall not be liable for any such costs and expenses arising out of wear, tear and/or gradual deterioration, the activity of insects, pests or vermin, or other matters beyond the **Insured’s** control.

**d)** The **Specific Cover Limit** for such costs and expenses is $250,000 any one **Loss** and $500,000 in the aggregate for all such **Losses**.

**e)** Notwithstanding the **Schedule**, the **Excess** applicable to this Extension is $1,000 for each **Loss**.

### 4.6 Compensatory civil penalties

a) Notwithstanding Section 7.10 b), **We Cover Claims** for compensatory civil penalties arising from the provision of **Professional Services**.

b) However, there is no **Cover** under the **Policy** for any compensatory civil penalty:
   i. which **We** are legally prohibited from **Covering** the **Insured** against;
   ii. based upon, attributable to or in consequence of any:
      1. wilful, intentional or deliberate failure to comply with any lawful notice, direction, enforcement action or proceeding under any legislation; or
      2. gross negligence or recklessness; or
   iii. in respect of or which constitutes any requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue charge or impost.

**c)** The **Specific Cover Limit** for the payment of compensatory civil penalties under the **Policy** shall not exceed $250,000 in any one **Claim** and $500,000 the aggregate for all such **Claims**.

**d)** Subject to Sections 3.3 and 6.3 **We also pay**, in addition to the **Specific Cover Limit** specified in c) above, **Claim Investigation Costs** (but only up to an amount equal to the **Specific Cover Limit**).

### 4.7 Run-off cover for the policyholder

In the event that a **Run-Off Event** occurs during the **Period of Insurance**:

a) the **Cover** provided by this **Policy** with respect to such **Policyholder** shall continue until the expiry date of this **Policy** in respect of any **Claim** otherwise **Covered** by this **Policy** arising from any act, error or omission prior to the date of the **Run-Off Event**.

b) the **Policyholder** may apply to extend the **Period of Insurance** for run-off cover subject to:
   i. the provision of a proposal; and
   ii. **Our** written agreement to provide such extension, which agreement is at **Our** absolute discretion; and
   iii. the payment of any additional premium required by **Us** (to be paid in full immediately upon expiry of this **Policy**; and
   iv. any additional terms, conditions or exclusions that **We** may impose in respect of such extension;

**c)** where **We** agree to do so, and at **Our** absolute discretion, the **Period of Insurance** may be extended up to a maximum of 84 months, as may be determined by **Us**, provided that **Our** total liability under the **Policy** for all **Claims** and **Covered Claims** in the aggregate for the **Period of Insurance** and any extended period pursuant to this Extension, shall not exceed the **Policy Limit**.

In the interests of clarity the **Period of Insurance** shall not, in any circumstances, be for a period in total greater than 84 months from the original inception date of the **Policy**.

### 4.8 Public relations cover

a) **We** will pay the reasonable and necessary fees, costs and expenses of a public relations consultant retained by the **Policyholder** with **Our** prior written consent (which shall not be unreasonably delayed or withheld) to design and implement a **Publicity Campaign** approved by **Us**, to prevent or mitigate damage to the reputation of the **Policyholder** in consequence of a **Claim** or **Covered Claim**, arising from the provision of the **Professional Services**.

b) The **Specific Cover Limit** for the payment of such fees, costs and expenses of a public relations consultant is $50,000 for any one **Publicity Campaign** and $100,000 in the aggregate for all **Publicity Campaigns**.

**c)** Notwithstanding the **Schedule**, the **Excess** applicable to this Extension is $1,000 for each and every **Publicity Campaign**.

### 4.9 Extended notification period

a) In the event that this **Policy** is not renewed, or is cancelled for any reason other than non-payment of the **Premium**, then the **Policyholder** has until the earlier of the time that the **Policyholder** effects, either with **Us** or any other insurer(s), another insurance policy which covers substantially the same risk as this **Policy**, or a period of 30 days commencing on the day immediately following expiry/cancellation of this **Policy**, whichever is sooner, to notify **Us** of any **Claims** made against the **Insured** during the **Period of Insurance**;

b) **Cover** under this Extension:
   i. does not reinstate or increase the **Policy Limit** or extend the **Period of Insurance**; and
   ii. will only apply to acts, errors or omissions committed or alleged to have been committed by the **Insured** before the earlier of the **Period of Insurance** or the cancellation date of this **Policy**; and
   iii. is limited to **Claims** and **Covered Claims** arising from an act, error or omission which occurred on or after the ‘Retroactive Date’ specified in the **Schedule**.
4.10 Vicarious liability for agents or consultants

The provision of the Professional Services includes, for the purpose of this Policy, acts, errors or omissions of agents or consultants engaged by the Policyholder to provide Professional Services and for which the Policyholder is liable. Subject to the definition of Employee in Section 9.8, such agents and consultants, however, are not Covered by this Policy.

4.11 Principal’s previous business

a) Notwithstanding Section 7.3 e), We Cover Principals of the Policyholder in respect of:
   i. Civil Liability;
   ii. arising in their capacity as a principal of a prior professional practice;
   iii. in respect of Claims arising from the provision, on behalf of the prior professional practice, of Professional Services of the type Covered under this Policy.

b) This Cover is only for a maximum of 30 days from the date the principal became a Principal of the Policyholder (or until the Policy expires, if that is sooner).

c) We may, at Our absolute discretion, agree to extend this period (subject to additional premium) after receipt of a satisfactory underwriting submission in respect of the prior professional practice.

d) Notwithstanding the Schedule, the Retroactive Date for such Cover is unlimited.

4.12 Prior corporate entities

We Cover corporate entities, for Claims and Covered Claims of the type and on the basis specified in this Policy, through which the Policyholder previously traded, provided that any such corporate entities are still owned and controlled by the Policyholder.

4.13 Merged and/or newly acquired subsidiaries

a) We Cover entities (practicing in the same professional discipline as the Policyholder) which are merged with or acquired by the Policyholder during the Period of Insurance in respect of Claims arising from the provision of Professional Services of substantially the same type as those Covered by this Policy.

b) This Cover is only for a maximum of 30 days from the date of the merger or acquisition (or until the Policy expires if that is sooner).

c) We may, at Our absolute discretion, agree to extend this period (subject to additional premium) after receipt of a satisfactory underwriting submission in respect of the merged or acquired entity.

d) Notwithstanding the Schedule, the Retroactive Date for such Cover is deemed to be the date of the merger with or acquisition by the Policyholder unless We otherwise agree in writing.

4.14 Former subsidiaries run-off cover

a) We Cover any former Subsidiary of the Policyholder, for Claims and Covered Claims of the type and on the basis specified in this Policy, provided that such Cover shall only apply in respect of acts, errors or omissions:
   i. occurring in the provision of Professional Services;
   ii. which occurred after the ‘Retroactive Date’ specified in the Schedule and prior to the date on which such Subsidiary ceased to be a subsidiary of the Policyholder.

b) We only provide Cover to the former Subsidiaries described in this Extension if the persons, firms or incorporated bodies claiming Cover each agree in writing within a reasonable time of notification to Us of the Claim or Covered Claim:
   i. to be bound by this Policy; and
   ii. to be liable individually, and together with the Policyholder, for paying the Excess (or any other payment due to Us under this Policy) in respect of any Cover provided to them under this Policy.

4.15 Cover to spouse, estates and legal representatives

If an Insured dies or becomes legally incompetent or insolvent, We Cover the spouse, domestic partner, estate, legal representative or assigns of the Insured, to the same extent as Cover would otherwise have been available to the Insured, but only in respect of their vicarious liability for the Insured’s acts, errors or omissions.

4.16 Joint venture

a) If the name of the Joint Venture is not included in the Schedule under ‘Joint Ventures’, then We Cover the Insured only for the acts, errors or omissions of the Insured arising from the provision of Professional Services as otherwise Covered by this Policy.

b) If the name of a Joint Venture is included in the Schedule, under ‘Joint Ventures’, then We Cover the Insured for the Insured’s liability in respect of that Joint Venture as otherwise Covered by this Policy.

4.17 Loss mitigation

a) We Cover the Policyholder for the direct costs and expenses incurred by the Policyholder with Our prior written consent (which shall not be unreasonably withheld or delayed) in taking reasonable and necessary steps to rectify or to mitigate the effects of, any act, error or omission of the Insured in the provision of Professional Services which is first discovered during the Period of Insurance, which We consider would otherwise result in a Claim where such steps were not taken.

b) The Specific Cover Limit for the payment of such direct costs and expenses is $100,000 in respect of any one matter and $200,000 in the aggregate for all such matters.
4.18 Fraud & dishonesty

a) Notwithstanding Section 7.11 of the Policy, We Cover the Insured on the basis specified in Section 3 of the Policy for the Insured’s vicarious liability in respect of any Claim which arises arising from dishonest, fraudulent, criminal or malicious acts or omissions of any person who is an Insured under this Policy (but there is no Cover for that person for these Claims).

b) When the Claim in a) above involves the theft or misappropriation of money, then We only provide Cover for such Claim under this Extension if:
   i. the Policyholder kept a separate trust account for that money, and the account was audited at least annually by a qualified independent accountant; and
   ii. all cheques and/or payments prepared on that trust account are required to be signed by a Principal or two authorised people; and
   iii. all electronic fund transfers are required to be authorised by two authorised people.

c) In relation to the Cover provided in a) above We deduct from any money We pay for a Claim specified in a) above:
   i. the amount of any money which the Policyholder would have paid to the fraudulent, dishonest, criminal or malicious person who is an Insured, if they had not been fraudulent, dishonest, criminal or malicious; and
   ii. the amount of any money of, or to which the person referred to in paragraph a) above is entitled, which the Policyholder holds or is otherwise entitled to (if We can do so by law).

d) The Policyholder must take all reasonable precautions to prevent any loss and continue to perform all the supervision, controls, checks and audits reasonably practicable to avoid or lessen the likelihood of a Claim Covered under this Extension arising.

4.19 Misleading or deceptive conduct

Notwithstanding Section 7.11 of this Policy, We Cover the Insured on the basis specified in Section 3 of the Policy in respect of breaches of the misleading & deceptive conduct provisions of Part 2 Part Div 2 of the Australian Securities and Investments Commission Act 2001, the consumer protection provisions of the Competition and Consumer Act 2010 (Cwlth) and corresponding consumer protection provisions of New Zealand and Australian state and territories Fair Trading legislation and any antecedents to any of this legislation (but not for criminal liability in respect of any of these).

4.20 Breach of warranty of authority

We Cover the Insured on the basis specified in Section 3 the Policy which arises from a breach of warranty of authority committed, by or on behalf of the Insured, in good faith and in the reasonable belief of the person alleged to have committed the breach that appropriate authority was held.

4.21 Interested party

a) We Cover an Interested Party on the basis specified in Section 3 of the Policy, for any vicarious Civil Liability to any third party incurred by the Interested Party arising solely and directly from the provision of the Professional Services by the Insured provided that had such Civil Liability been incurred directly by the Insured, the Insured would have been entitled to Cover against that liability under this Policy.

b) We only provide Cover to the Interested Party if the Interested Party agrees in writing, within a reasonable time of notification of the Claim or Claimed Liability to Us to be:
   i. bound by this Policy; and
   ii. liable individually, and together with the Insured, for paying the Excess (or any other payment due to Us under this Policy) in respect of any Cover provided to the Interested Party under this Policy.

Section 5
Optional extensions

The following are Optional Extensions of cover and are subject to all other provisions of the Policy unless otherwise stated to the contrary. If the Specific Cover Limit for the relevant Optional Extensions is indicated in the Schedule as ‘Not Insured’, then that Optional Extension is not included in this Policy.

5.1 Cyber cover extension

5.1.1 The cover we provide

a) Privacy breach
   i. We will pay, on behalf of the Insured, all sums which the Insured becomes legally obligated to pay (including liability for claimants’ costs and expenses) and Claim Investigation Costs resulting from any Claim first made against the Insured and notified to Us in writing as soon as reasonably possible during the Period of Insurance as a direct result of:
   1) Personal information
      the breach, by or on behalf of the Policyholder, in respect of any natural person, of any Privacy Obligations.
   2) Commercially confidential information
      any actual or alleged unauthorised disclosure, loss or theft of Commercially Confidential Information, by or on behalf of the Policyholder.
b) Systems damage

i. We will pay Rectification Costs incurred:
   1) in retrieving, repairing, restoring or replacing any of the Policyholder’s Computer Records for which the Policyholder is responsible that have been destroyed, damaged, lost, altered, distorted, erased or mislaid (and which, after diligent search, cannot be found);
   2) in repairing, restoring or replacing any of the Policyholder’s Computer Systems that have been destroyed, damaged, lost, altered, distorted, erased or mislaid;

   as a direct result of any Cyber Event first discovered by an Insured and notified to Us in writing as soon as reasonably possible during the Period of Insurance.

ii. The Specific Cover Limit for the cover provided under this Extension is $25,000 in the aggregate.

iii. The Excess applicable to this Extension is $1,000 each and every Claim for Rectification Costs.

c) Computer virus transmission and hacking

i. We will pay, on behalf of the Insured, all sums which the Insured becomes legally obliged to pay (including liability for claimants’ costs and expenses) and Claim Investigation Costs resulting from any Claim first made against the Insured and notified to Us in writing as soon as reasonably possible during the Period of Insurance as a direct result of any Third Party’s financial losses arising directly from:
   1) a Hacking Attack or Virus that has emanated from or passed through the Policyholder’s Computer Systems;
   2) a Hacking Attack or Virus that restricts or prevents access to the Policyholder’s Computer Systems by Third Parties authorised by the Insured to gain such access; or
   3) the loss or theft of the Policyholder’s data or data for which the Policyholder is responsible or alleged to be responsible for, arising directly from a Hacking Attack or Virus.

ii. The Specific Cover Limit for the cover provided by this Extension is $200,000 in the aggregate.

iii. The Excess applicable to this Extension is $1,000 each and every Claim.

d) Multimedia liability

i. We will pay, on behalf of the Insured, all sums which the Insured becomes legally obliged to pay (including liability for claimants’ costs and expenses) and Claim Investigation Costs resulting from any Claim, arising from or directly in connection with the provision of Professional Services, first made against the Insured and notified to Us in writing as soon as reasonably possible during the Period of Insurance as a direct result of:
   1) libel, slander or defamation;
   2) invasion of or interference with the right to privacy, including those of Employees, or commercial appropriation of names or likeness;
   3) plagiarism, piracy or misappropriation of ideas;
   4) infringement of copyright, domain name, commercial title or slogan, the dilution or infringement of trademark, service mark, service name or trade name;

   arising directly from:
   1) the Policyholder’s Internet and Email Content; or
   2) the Policyholder’s Promotional Material; or
3) **Third Party** digital content downloaded, shared or distributed from the Policyholder’s Computer Systems.

ii. The Specific Cover Limit for the cover provided by this Extension is $200,000 in the aggregate.

iii. The Excess applicable to this Extension is $1,000 each and every Claim.

4) **Cyber extortion cover**

i. **We** agree to pay Cyber Extortion Costs arising solely from a Security Threat first made against the Insured and notified to Us in writing as soon as reasonably possible during the Period of Insurance.

ii. Any Cyber Extortion Costs covered in i. above shall be subject to local legal requirements in cooperation with, and under the direction, of any authorised criminal enforcement or other agency asserting jurisdiction in the matter.

iii. The Specific Cover Limit for the cover provided by this Extension is $250,000 in the aggregate.

iv. The Excess applicable to this Extension is $1,000 each and every Security Threat.

5) **Privacy fines & investigations**

i. Notwithstanding Section 7.10 b) of the Policy, **We** will also pay, to the extent **We** are permitted to do so by law any:

1) **Fine or Penalty** payable by the Policyholder as a direct result of a breach by the Insured of its Privacy Obligations; and/or

2) **Regulatory Investigation Costs** into such breach, arising from any notice of a Regulatory Investigation into an alleged breach by the Insured of its Privacy Obligations, which is first received by the Insured and notified to Us in writing as soon as reasonably possible during the Period of Insurance.

ii. The Specific Cover Limit for the cover provided by this Extension is $250,000 in the aggregate.

iii. The Excess applicable to this Extension is $1,000 each and every Regulatory Investigation.

6) **Privacy breach notification & loss mitigation**

i. **We** agree to pay Privacy Breach Costs incurred as a direct result of a Cyber Event which is first discovered, and notified to Us in writing as soon as reasonably possible, during the Period of Insurance, where:

1) the Insured is legally obligated to take the steps the subject of such Privacy Breach Costs; or

2) steps the subject of such **Privacy Breach Costs** will effectively mitigate or avoid a Claim which would otherwise be made against the Insured and which would be covered under Section 5.1.1 a), Privacy, were such steps the subject of the Privacy Breach Costs not taken.

ii. The Specific Cover Limit for the cover provided by this Extension is $50,000 in the aggregate.

iii. The Excess applicable to this Extension is $1,000 each and every Claim on the Policy for Privacy Breach Costs cover.

7) **Rewards expenses cover**

i. **We** agree to pay Reward Expenses incurred as a direct result of a Cyber Event, which is first discovered, and notified to Us in writing as soon as reasonably possible, during the Period of Insurance.

ii. The Specific Cover Limit for the cover provided by this Extension is $25,000 in the aggregate.

iii. The Excess applicable to this Extension is $1,000.

i) **Total aggregate specific cover limit**

The total aggregate Specific Cover Limit with respect to the cover provided in Section 5.1.1 a) to h) inclusive is $250,000.

5.1.2 **What is not covered**

**We** do not provide cover for any of the following Claims, liabilities, losses, costs, and other matters covered by this Extension:

a) **Patent**

based upon, directly or indirectly arising from or attributable to the actual or alleged infringement of any patent.

b) **Professional services**

based upon, directly or indirectly arising from or attributable to:

1. the rendering of or failure to render Professional Services; or

2. a breach or alleged breach of any contract for the provision of Professional Services.

c) **Fraudulent credit and/or debit card transactions**

arising as a result of any request from the Insured’s acquiring bank for funds or the imposing of fines and/or penalties as a result of fraudulent credit or debit card transactions, although this Exclusion shall not apply to any Claims covered by Section 5.1.1 a) Privacy.

d) **Enforcement order**

based upon, directly or indirectly arising from or attributable to any failure to respond to or comply with an Enforcement Order.
e) Failure of external networks, cables, or core internet infrastructure servers
   in respect of Section 5.1.1 b) System Damage only, based upon, directly or indirectly arising
   from or attributable to any failure of external networks, cables, or core internet
   infrastructure servers not in the Policyholder's direct operational control.

f) Satellite failures, electrical or mechanical failures
   based upon, directly or indirectly arising from
   or attributable to any satellite failures,
   electrical or mechanical failures and/or
   interruption including, but not limited to,
   electrical disturbance, spike, brownout or
   blackout, outages to gas, water, telephone,
   cable, telecommunications, or other
   infrastructure, unless such infrastructure is
   under the Policyholder's direct operational
   control and unless such Claim is as a direct
   result of any Cyber Event.

g) Bodily injury / property damage
   based upon, directly or indirectly arising from
   or attributable to:
   i. bodily injury (except emotional distress,
      mental anguish or humiliation), sickness,
      disease or death of any person; or
   ii. destruction of or damage to tangible
      property (including the loss of use thereof).

h) Confiscation, commandeering, requisition, destruction of or damage
   to a computer system
   based upon, directly or indirectly arising from
   or attributable to the confiscation,
   commandeering, requisition, destruction of
   or damage to, Computer Systems by order
   of a government de jure or de facto, or by any
   public authority for any reason.

i) Sanctions
   based upon, directly or indirectly arising from
   or attributable to the provision of cover or a
   benefit under this Policy to the extent that
   the provision of such cover or benefit would
   contravene any sanction, prohibition or
   restriction under any United Nations
   resolutions or the trade or economic
   sanctions, law or regulations of the European
   Union, United Kingdom or United States of
   America.

j) Anti-competitive practices
   based upon, directly or indirectly arising from
   or is attributable to any actual or alleged
   anti-trust violation, restraint of trade, unfair
   competition, false, deceptive or unfair trade
   practices, violation of consumer protection
   laws, or false, deceptive or misleading
   advertising.

k) Payment card industry data security
   standard
   based upon, directly or indirectly arising
   from or is attributable to fines or penalties
   attributable to the Insured's failure to
   comply with the Payment Card Industry
   Data Security Standard.

l) Discrimination
   based upon, directly or indirectly arising from
   or is attributable to any actual or alleged
   discrimination of any kind including, but not
   limited to, discrimination on the basis of race,
   colour, religion, age, sex, disability, pregnancy,
   marital status, political affiliations or ideology,
   sexual orientation or preference.

m) Failure to update firewalls, virus protection
   and other security software
   based upon, directly or indirectly arising from
   or attributable to the failure of the Insured
   to, update firewalls, virus protection and any
   other security software in place within the
   Policyholders Computer Systems within
   one month of the update for such software
   being made publicly available.

n) Failure to encrypt personally identifiable
   and confidential information
   based upon, directly or indirectly arising from
   or attributable to the failure of the Insured
   to encrypt personally identifiable and confidential
   information that is physically removed from
   the Policyholder's business premises on
   any Portable Media Device.

o) Business Continuity Plan (BCP)
   based upon, directly or indirectly arising from
   or attributable to the failure of the Insured
   to have a Business Continuity Plan (BCP), which
   is tested for efficacy at least annually and
   which includes, provision for the backup
   of all the Insured's data stored off-site.

p) Retroactive date
   based upon, directly or indirectly arising from
   or attributable to any act, error or omission
   which occurred before the Retroactive Date.

5.1.3 Words with special meanings
Whenever the following words are used in the Cyber Cover optional extension in bold type
and with a capital letter, they have the special
meanings set out below. These words may
appear without bold type in endorsements
in the Schedule.

a) Authority
   any official regulator, government body or
   government agency having legal authority
   to conduct a Regulatory Investigation.

b) Commercially Confidential
   Information
   any information other than Personal
   Information:
   i. which is not in the public domain or
      publicly available; and
   ii. where disclosure may undermine the
      economic interest or competitive position
      of the owner of the information.
c) **Computer Records**
electronically stored data including magnetic tape, software or computer programs for or in respect of a **Computer System** used in the course of the provision of the Professional Services.

d) **Computer Systems**
all electronic computers including operating systems, software, hardware, firmware and all communication and open system networks, websites wheresoever hosted, offline media libraries and data backups used in the course of providing the Professional Services.

e) **Cyber Event**
i. Hacking Attack or Virus;
ii. malicious damage to the **Policyholder’s Computer Systems** by an **Employee**;
iii. accidental damage to or destruction of the **Policyholder’s Computer Records** because of an operational error, an error while establishing the parameters, or an involuntary error by an **Employee** or a **Service Provider**;
iv. failure of a **Service Provider** hosting the **Policyholder’s Computer Systems** as a direct result of i. to iii. above.
v. failure of a direct or back-up power supply or under/over voltage but only if such power supply is owned, managed or controlled by the **Policyholder** or by a **Service Provider**;
vi. electrostatic build-ups or electromagnetic disturbances.

f) **Cyber Extortion Costs**
i. any monies paid by the **Policyholder** not in contravention of any applicable legal requirements and with our prior written consent (which shall not be unreasonably delayed or withheld);
ii. reasonable and necessary fees, costs and expenses that **We** incur or the **Policyholder** incurs with our prior written consent (which shall not be unreasonably delayed or withheld):
   1) in negotiating, mediating and crisis managing to terminate or end a Security Threat that might otherwise result in harm to the **Insured**;
   2) the cost to conduct an investigation to determine the cause of a Security Threat.

**g) Enforcement Order**
a notice or order from any data protection authority, government authority, regulator, Court, Tribunal or other public body authorised to investigate, prosecute or otherwise enforce applicable laws or regulations relating to the collection, storage or processing of **Computer Records**, requiring the **Insured** to:

i. confirm compliance with any data protection and/or privacy law or regulation;
ii. take specific measures to comply with any applicable data protection and/or privacy law or regulation; or
iii. refrain from processing any specified **Computer Records** or using any specified **Computer System**.

h) **Fine or Penalty**
i. A monetary fine or penalty payable by an **Insured** to an **Authority**;
ii. **Fine or Penalty** does not include any amounts payable or calculated by reference to:
   1) compensation;
   2) compliance, remedial, reparation or restitution costs;
   3) exemplary or punitive damages;
   4) any consequential economic loss;
   5) requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue charge or impost; and
   6) any fine or penalty the insurance of which is prohibited at law.

**i) Hacking Attack**
any malicious or unauthorised electronic attack including, but not limited to, any fraudulent electronic signature, brute force attack, phishing, denial of service attack, initiated by any **Third Party** or by any **Employee** and that is designed to damage, destroy, corrupt, overload, circumvent or impair the functionality of the **Policyholder’s Computer Systems** or **Policyholder’s Computer Records**.

**j) Internet and Email Content**
any text, images, video, interactive content or advertising material published on the **Policyholder’s website** or contained within an email sent by an **Insured** or any advertising material produced by or on behalf of the **Policyholder** and published on a **Third Party’s website**.

k) **Money**
any legally recognised and valid physical, or electronic currency, coins or bank notes of a generally accepted value.

l) **Personal Information**
information or an opinion about an identified individual, or an individual who is reasonably identifiable, whether the information or opinion is:
i. true or not; and
ii. in a material form or not.
m) Portable Media Device
disks, tapes, USB or flash memory data storage devices, laptops, blackberrys or any type of smart phone, tablet or removable device capable of storing data.

n) Privacy Breach Costs
the reasonable and necessary fees, costs and expenses that We incur or the Policyholder incurs with Our prior written consent (which shall not be unreasonably delayed or withheld) required to be incurred in respect of any Privacy Obligations to:
  i. fulfil any legal or regulatory obligation the Policyholder has to notify Third Parties of an actual or suspected breach of privacy in relation to any Personal Information; or
  ii. establish a credit monitoring service or identity theft helpline; or
  iii. provide call centre support services; or
  iv. conduct an independent audit of the Policyholder’s Computer Systems to identify the source of such privacy breach.

c) Promotional Material
any marketing materials or tangible goods produced by or on behalf of the Policyholder for the purpose of marketing the Professional Services.

p) Privacy Obligations
the Insured’s legal obligations arising directly from:
  i. any privacy statement governing the handling of information on the Policyholder’s Computer Systems; or
  ii. any written contract between the Policyholder and a third party governing the processing and storage of credit card information on the Policyholder’s Computer Systems;
  iii. any implied contractual duty to use reasonable care and skill in the handling of Personal Information or credit card information (including breaches of the Payment Card Industry Data Security Standard);
  iv. any legal obligation to notify individuals of an actual or potential breach of their Personal Information; or
  v. statutory data protection regulations in the country or countries where the Policyholder operates, including industry specific data protection and security regulations as they currently exist and as amended.

q) Rectification Costs
reasonable and necessary fees, costs and expenses that We incur or the Policyholder incurs with Our prior written consent (which shall not be unreasonably delayed or withheld) as a result of the use of external consultants, contractors or advisers, including, but not limited to, forensic or security consultants or any additional costs that the Policyholder incurs to its Employees.

For the avoidance of doubt, Rectification Costs does not include the basic salaries of Employees or the Policyholder’s office expenses or any payments that the Policyholder has paid or agreed to pay as part of any service or maintenance contract.

r) Regulatory Investigation
i. any formal or official civil examination, investigation, inquiry, hearing or other civil proceedings ordered or commissioned by any Authority into the Privacy Obligations of the Policyholder during the Period of Insurance:
   1) requiring attendance before, or the production of documents by the Policyholder to, the Authority;
   2) requiring questions to be answered by the Policyholder to the Authority;
   3) identifying the Policyholder in writing as a target of an examination, investigation, inquiry, hearing or other proceeding by an Authority.

ii. a Regulatory Investigation shall be deemed to be first made when the Policyholder is first required to respond and/or attend or is so identified as a target of the Regulatory Investigation.

iii. Regulatory Investigation does not include any routine inspection, supervision, compliance or similar reviews or general industry wide violation reviews which extend to the Policyholder.

s) Retroactive Date
the date from which the Policyholder has continuously held cyber insurance cover via a standalone cyber insurance policy or via a cyber cover extension added to an existing insurance policy.

t) Reward Expenses
the reasonable and necessary property or other consideration paid by Us or by the Policyholder with Our prior written consent (which shall not be unreasonably delayed or withheld) to a Third Party (other than a law enforcement professional or Authority) for information which leads to a conviction of an indictable offence arising out of a Hacking Attack covered by this Policy.

u) Security Threat
any expressed and documented threat or connected series of threats to commit a local, cross border or multi-country attack against the Policyholder’s Computer System for the purpose of demanding Money, securities or other tangible or intangible property of value from the Insured.
**5.2 Employment practices liability cover**

**5.2.1 The cover we provide**

a) Notwithstanding Section 7.9 a), b) or c), **We Cover** the **Insured** in respect of an **Employment Practice Claim**:

i. first made against the **Insured** during the **Period of Insurance**; and

ii. **We are told about in writing as soon as reasonably possible during the Period of Insurance**; and

iii. brought against the **Insured** by any natural person who is an **Insured** or any contract or temporary workers of the **Policyholder**.

for **Loss** sustained by reason of an **Employment Practice Breach**.

b) The **Specific Cover Limit** for the **Cover** provided under this Extension is shown on the **Schedule**.

c) The **Excess** applicable for each and every **Employment Practice Claim** which **We Cover** under this Extension is shown on the **Schedule**. The **Insured** must also pay this **Excess** when **We provide Cover** for **Defence Costs** for such **Employment Practice Claims** under this Extension.

**5.2.2 What is not covered**

**We do not provide Cover** for any of the following **Employment Practice Claims**, liabilities, losses, costs, and other matters **Covered** by this Extension:

- a) **Industrial action**
  - based upon, directly or indirectly arising from or attributable to:
    - i. acts committed during or in connection with any industrial dispute (whether between employer and **Employee** or between **Employees** or their unions or generally), strike, picket, lock-out, go slow or work to rule action;
    - ii. collective bargaining negotiation or agreement.

  This Exclusion does not apply to **Loss** in respect of an **Employment Practice Claim** for retaliation alleged to have been taken by the **Policyholder** against an **Insured** regarding industrial action.

- b) **Insolvency**
  - brought after the appointment of any liquidator, receiver and manager, official manager, administrator, official trustee in bankruptcy, or trustee administering a compromise or scheme of arrangement of the **Policyholder** but this Exclusion does not apply to **Employment Practice Claims** prior to such appointment.

- c) **Workers Compensation/Occupational Health and Safety Legislation**
  - based upon, directly or indirectly arising from attributable to allegations or claims arising under, pursuant to, or in relation to any Workers’ Compensation or Occupational Health and Safety Acts or similar legislation;

- d) **Bodily injury and/or property damage**
  - in respect of any:
    - i. bodily injury (except emotional distress, mental anguish or humiliation), sickness, disease or death of any person; or
    - ii. destruction of or damage to tangible property (including the loss of use thereof).

- e) **Physical modifications to premises**
  - based upon, directly or indirectly arising from attributable to, or which involve any allegation of liability for the cost of physical modifications to premises, plant or equipment owned or occupied by the **Policyholder** to make such premises, plant or equipment more accessible, or accommodating to the needs of disabled persons.

  This Exclusion does not apply to **Claim Investigation Costs** incurred as a result of a **Employment Practice Claim** which seeks, as part of the relief sought, compensation or declarations in respect of such physical modifications.

- f) **Unfair contract claims**
  - based upon, directly or indirectly arising from or attributable to:
    - i. compensation sought in respect of a contract of employment alleged to be unfair; or
ii. the seeking of relief in respect of any allegedly unfair contract, pursuant to any law or regulation or pursuant to any statute, ordinance or industrial instrument in the States or Territories of the Commonwealth of Australia or in New Zealand.

This Exclusion does not apply to Loss on account of a Claim for relief from retaliation in respect of any action taken by the Policyholder against an Insured regarding an allegedly unfair contract.

g) Benefits and statutory entitlements

based upon directly or indirectly arising from or attributable to:

i. workers compensation, disability benefits, unemployment benefits, redundancy benefits or compensation, retirement benefits, social security benefits or any similar law or obligation whatsoever;

ii. any discretionary bonus, commission, severance payment, stock (including all plans and derivatives), other fringe benefit or an amount representing or calculated by reference to any of the above.

5.2.3 Words with special meaning

Whenever the following words are used in the Employment Practices Liability optional extension in bold type and with a capital letter, they have the special meanings set out below. These words may appear without bold type in endorsements in the Schedule.

a) Defence Costs

The reasonable and necessary legal costs and expenses (including any expert costs where the choice of expert has been approved by Us) of investigating, defending or settling any Employment Practice Claim.

b) Employment Practice Claim

i. Receipt by the Policyholder of any written demand for money or damages or non-pecuniary relief alleging an Employment Practice Breach relating to the employment of an Employee and seeking relief including, but not limited to, reinstatement, re-employment or any other injunctive relief; or

ii. Any writ, summons, application or other originating legal (criminal, civil or otherwise) or arbitral proceedings, cross claim or counter-claim alleging an Employment Practice Breach relating to the employment of an Employee; or

iii. Subject to Section 5.2.2 c), any subpoena, notice to appear or similar notice requiring attendance at an administrative, regulatory or tribunal proceeding commenced by the Fair Work Ombudsman or any similar regulatory authority with legal jurisdiction over the Policyholder’s employment practices which is served upon a Policyholder in respect of any Employee issued against and in respect of any Employment Practice Breach.

c) Employment Practice Breach

Any actual or alleged wrongful or unfair employment-related:

i. denial of natural justice;

ii. discipline, discharge, dismissal or termination of employment;

iii. misrepresentation;

iv. breach of any oral, written or implied employment contract;

v. unlawful discrimination (including but not limited to, discrimination on the basis of race, colour, religion, age, sex, disability, pregnancy, marital status, political affiliations or ideology, sexual orientation or preference).

vi. harassment;

vii. failure to employ;

viii. failure to promote;

ix. failure to grant tenure;

x. deprivation of career opportunity;

xi. demotion;

xii. defamation;

xiii. invasion of privacy;

xiv. bullying;

xv. infliction of emotional distress, committed or attempted by any Insured on or after the ‘Retroactive Date’ as stated in the Schedule.

d) Loss

i. The amount which a Policyholder becomes legally obliged to pay on account of a Covered Employment Practice Claim including:

1) Defence Costs;

2) awards of damages;

3) judgments;

4) settlements to which We have consented;

5) awards of claimant’s legal costs;

6) awards of interest;

7) order to pay compensation resulting from contravention of any statute;

8) punitive, exemplary, multiplied or aggravated damages that a Policyholder is ordered to pay by a Court of competent jurisdiction in which the Employment Practice Claim is determined.
5.3 Fidelity cover optional extension

5.3.1 The cover we provide

a) We Cover the Policyholder for any Fidelity Loss where such Fidelity Loss:
   i. is caused by reason of any dishonest or fraudulent conduct of an Employee;
   ii. is first discovered by the Policyholder during the Period of Insurance;
   iii. We are told about in writing as soon as reasonably practicable during the Period of Insurance; and
   iv. is caused by dishonest or fraudulent conduct committed by an Employee within a period of 36 months before being first discovered by the Policyholder.

b) The Specific Cover Limit for the Cover provided under this Extension is shown on the Schedule. The Specific Cover Limit is inclusive of Claims Investigation Costs.

c) The Excess applies to each and every Fidelity Loss resulting from each separate dishonest, fraudulent, malicious or illegal act or omission committed by an Employee.

d) The Excess applicable for a Fidelity Loss which We Cover under this Extension is shown on the Schedule. The Policyholder must also pay this Excess when We provide Cover for Claim Investigation Costs for Fidelity Losses under this Extension.

5.3.2 Special conditions

a) The Policyholder shall give written notice, including affirmative proof and full particulars of any Fidelity Loss, during the Period of Insurance. The Policyholder shall bear the costs and expenses of establishing the fact, nature and extent of the Fidelity Loss. There is no Cover until We are satisfied that such Fidelity Loss has in fact been sustained.

b) The Policyholder must take all reasonable precautions to prevent any loss and continue to perform all the supervision, controls, checks and audits reasonably practicable to avoid or lessen the likelihood of a Fidelity Loss Covered under this Extension arising.

c) We deduct from any money We pay for a Fidelity Loss Covered by this Extension, the amount of any money:
   i. which the Policyholder would have paid to the fraudulent, dishonest, criminal or malicious Employee who is an Insured, if the Employee had not been fraudulent, dishonest, criminal or malicious; and
   ii. of, or to which the Employee is entitled, which the Policyholder holds (if We can do so by law).

5.3.3 Exclusions

We do not provide Cover for any of the following Fidelity Losses, liabilities, losses, costs, and other matters Covered by this Extension:

a) directly or indirectly based upon, or attributable to, or in consequence of any dishonest, fraudulent, criminal or malicious acts or omissions of which the Policyholder had knowledge, or had reason to suspect, at or prior to the time of such acts or omissions and failed to take any reasonable action to prevent.

b) sustained outside of Australia or New Zealand or any loss arising directly or indirectly from any loss sustained outside of Australia or New Zealand.

c) the existence of which has only been established by profit and loss figures or by inventory calculations (including stock takes).

d) incurred by the Policyholder in re-writing, amending or re-installing the Policyholder’s computer programs or systems.

e) consequential loss, including, but not limited to, loss of reputation and loss of profits, arising from any dishonest or fraudulent acts or omissions of any Employee.

f) caused by or contributed to by an Employee who was not employed by the Policyholder when the act or omission which caused or contributed to the Fidelity Loss.

g) directly or indirectly based upon, or attributable to, or in consequence of any dishonest, fraudulent, criminal or malicious acts or omissions of any Principals or Former Principals.
h) directly or indirectly based upon, or attributable to, or in consequence of default under a loan or any type of credit offered to or by the Policyholder.

i) directly or indirectly based upon, or attributable to, or in consequence of any dishonest or fraudulent acts or omissions which the Policyholder knew, or ought reasonably to have known of, or suspected or ought reasonably to have suspected, at or prior to the time of such acts or omissions and failed to take any reasonable action to prevent.

j) directly or indirectly based upon, or attributable to, or in consequence of the Policyholder committed or condoned any dishonest, fraudulent, criminal or malicious acts or omissions.

k) first discovered prior to the commencement of the Period of Insurance or first discovered after the expiration of the Period of Insurance.

l) directly or indirectly based upon, or attributable to, or in consequence of any dishonest, fraudulent, criminal or malicious act or omission of any shareholder who, at the time of committing such acts had direct or indirect ownership of or control over 10% or more of the voting share capital of the Policyholder.

m) directly or indirectly based upon, or attributable to, or in consequence of the voluntary giving or surrendering of money, negotiable instruments, bearer bonds or coupons, stamps bank or currency notes unless such loss is sustained by reason of any dishonest or fraudulent act or omission of any Employee.

n) directly or indirectly based upon, or attributable to, or in consequence of the dissemination or accessing of any confidential information, including, but not limited to, patents, trademarks, copyrights, trade secrets, computer programs, or customer information.

o) directly or indirectly based upon, or attributable to, or in consequence of any kidnap, ransom or extortion.

5.3.4 Words with special meanings

Whenever the following words are used in the Fidelity Cover optional extension in bold type and with a capital letter, they have the special meanings set out below. These words may appear without bold type in endorsements in the Schedule.

a) Fidelity Loss
   i. means the direct financial loss suffered by the Policyholder caused by and comprising the loss of money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes owned by the Policyholder;
   ii. does not include wages, salaries, or other remuneration benefits or entitlements of an Insured, or any consequential loss.

Section 6
Limits to the amount of cover

6.1 The policy limit

The Policy Limit applies to any one Claim and, subject to this Section 6, applies to the total of all Claims and Covered Claims. Covered by this Policy.

6.2 Reinstatement of the policy limit

a) The Policy Limit is the maximum amount We will provide Cover for in respect of any one Claim.

Subject to the following limitations, We will provide Cover to a maximum of twice the Policy Limit for all Claims Covered by this Policy:

   i. We do not, in respect of any one Claim, provide Cover for an amount in the aggregate more than the Policy Limit or the Specific Cover Limit as applicable;
   ii. for any one Claim, or Claims (including Covered Claims) arising from the one act, error or omission, the aggregate Cover under this Policy shall not exceed the Policy Limit or Specific Cover Limit as applicable;
   iii. if there is extra insurance, held with another insurer in excess of the applicable limit of this Policy, then Cover in excess of one Policy Limit or Specific Cover Limit as applicable (up to a maximum of twice the Policy Limit or Specific Cover Limit as applicable) is only available for so much of the liability (otherwise Covered by this Policy) which is not covered by the extra insurance.

b) Where Cover is provided under this Policy for any Claim, then Claim Investigation Costs are paid in respect of that Claim up to an amount equal to the Policy Limit in accordance with Section 3.3 of this Policy. The aggregate amount We pay in total for Claim Investigation Costs for or in respect of all Claims Covered by this Policy does not exceed an amount equal to twice the Policy Limit.

6.3 Cover for claim investigation costs if the policy limit is exceeded

If the amount that has to be paid to dispose of, settle or finalise a Claim exceeds the Policy Limit, then We only pay for the same proportion of the Claim Investigation Costs as the Policy Limit bears to the amount to be paid to dispose of, settle or finalise the Claim. But We never pay more than the Policy Limit.

6.4 Limit if multiple persons and/or entities are covered

The Policy Limit and Specific Cover Limits do not increase if there is more than one Insured Covered under this Policy, or if more than one Insured causes or contributes to the Claim.
6.5 Specific cover limits

If the Policy indicates any Specific Cover Limits for specific types of Cover under this Policy, then the applicable Specific Cover Limits and not the Policy Limit applies. The Specific Cover Limits are included within, and not in addition to, the Policy Limit.

6.6 The excess

a) We only provide Cover (up to the Policy Limit or Specific Cover Limit as applicable) for that part of the Covered Claim which is above the applicable Excess.

b) There are different Excesses that may be applicable, depending on the type of Covered Claim involved which the Insured must pay. The amount of the Excess for:

i. Australia and New Zealand jurisdictions specified in the Schedule if the Covered Claim is under the jurisdiction of an Australian or New Zealand Court. The Insured must also pay this Excess when We provide Cover for the Claim Investigation Costs of such Covered Claims if the Schedule states ‘Costs inclusive’. There is no Excess for Claim Investigation Costs when We Cover an Insured for such Covered Claims if the Schedule states ‘Costs exclusive’.

ii. ‘Other Jurisdictions’ specified in the Schedule if the Covered Claim is under the jurisdiction of a Court other than an Australian or New Zealand Court. The Insured must also pay this Excess when We provide Cover for Claim Investigation Costs for the Covered Claim.

iii. ‘Enquiries’ specified in the Schedule when We provide Cover for legal costs and expenses associated with an Enquiry which We Cover under Section 4.2 of this Policy.

c) The Insured must pay only one Excess for all Covered Claims. Covered by this Policy arising from the one act, error or omission.

d) In the event of a Claim or Covered Claim arising from separate acts, errors or omissions, then only one Excess shall apply in respect of such Claim or Covered Claim.

e) Where the Excess is indicated in the Policy as ‘Costs inclusive’, the amount of the Excess is exclusive (i.e. net) of any GST payable in respect of Claims Investigation Costs or similar investigation or defence costs.

6.7 GST Input Tax Credits

a) Where and to the extent that We are entitled to claim an Input Tax Credit for a payment made under the Policy, then any monetary limit in the Policy or Our obligation to make such a payment, shall be deemed to be net of Our entitlement to the Input Tax Credit.

b) Where and to the extent that the Policyholder is entitled to claim an Input Tax Credit for a payment required to be made by the Policyholder as an Excess, then the amount of the Excess shall be net of the entitlement of the Policyholder to the Input Tax Credit.

c) Where payment is made under this Policy for the acquisition of goods, services or other supply, We will reduce the amount of the payment by the amount of any Input Tax Credit that the Policyholder is, or will be, entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition, whether or not that acquisition is made.

d) Where payment is made under this Policy as compensation instead of payment for the acquisition of goods, services or other supply, We will reduce the amount of the payment by the amount of any Input Tax Credit that the Policyholder would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other supply.

Section 7

What is not covered

We do not provide Cover for any of the following Claims or Covered Claims:

7.1 Known claims and known circumstances

a) known at the inception date of this Policy; or

b) based upon, directly or indirectly arising from or attributable to any Known Circumstance or known Claims or Covered Claims; or

c) disclosed in the Proposal or arising from facts or circumstances which may give rise to a Claim or Covered Claim disclosed in the Proposal; or

7.2 Foreign jurisdictions

subject to the ‘Jurisdictional Limits’ specified in the Schedule:

a) first brought in or determined pursuant to the laws of, the United States of America or its territories or protectorates; or

b) 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 its territories or protectorates; or

c) where the proper law of the United States of America, or their territories or protectorates is applied to any of the issues in any Claim or Covered Claim, Covered by this Policy.
7.3 Assumed duty or obligation

based upon, directly or indirectly arising from or attributable to:

a) a liability under a contractual warranty, guarantee, undertaking or term (unless such liability would have existed regardless of the contractual warranty, guarantee, undertaking or term); or

b) circumstances where a right of claim, contribution or indemnity has been given up by an Insured, but only to the extent of the prejudice suffered by Us in those circumstances; or

c) circumstances where someone has done work or provided services under an arrangement or agreement with an Insured which limits any potential right for an Insured to claim or receive compensation, contribution or indemnity from that person, but only to the extent, that We are prejudiced in those circumstances; or

d) any Civil Liability which an Insured agrees to accept in connection with the provision of the Professional Services and/or anything which is the subject of cover, which is more onerous than that which the Insured would otherwise have at common law, but only to the extent of the prejudice We suffer because of that agreement; or

e) any business not conducted for or on behalf of the Policyholder.

7.4 Related parties

against an Insured brought by or on behalf of:

a) any other Insured; or

b) any company in respect of which any Insured holds (beneficially or otherwise) more than 10% of the voting shares or rights and/or an executive role; or

c) any trust in respect of which any Insured is a trustee and/or beneficiary and/or has a direct or indirect financial interest; or

d) any other person, firm or incorporated body having control of more than 10% of the voting shares or rights or an executive role in the operation of the Policyholder.

7.5 Refund of professional fees and trading debts

a) for (or calculated by reference to) the refund or waiver of any obligation to pay any fees, charges or disbursement (by way of damages, offset or otherwise); or

b) for costs and expenses incurred by or on behalf of an Insured in complying with any contractual obligation or making good any faulty product; or

c) arising directly or indirectly from the provision of cost guarantees, estimates of probable costs, estimates of probable financial savings or from any contract price or cost estimate being exceeded; or

d) arising from a liability to pay trading debts, the repayment of any loan and/or any other financial obligation incurred, as a matter of general commerce in connection with the Insured’s business.

7.6 Profit

for any component of profit derived or derivable by an Insured.

7.7 Insolvency

based upon, directly or indirectly arising from or attributable to an Insured’s insolvency, bankruptcy or liquidation.

7.8 Goods and workmanship

based upon, directly or indirectly arising from or attributable to:

a) the manufacture, installation, assembly, processing, sale, supply or distribution of goods or products by or on behalf of an Insured;

b) workmanship in manufacture, fabrication, construction, erection, installation, assembly, alteration, servicing, remediation, repair, demolition or disassembly (including any materials, parts or equipment furnished in connection therewith) by or on behalf of an Insured, or from supervision of such workmanship by an Insured.

7.9 Employers’ liability, directors’ and officers’ liability, occupiers’ liability, motor, marine

a) based upon, directly or indirectly arising from or attributable to the Policyholder’s liability as an employer; or

b) arising from or which involves bodily injury (including mental anguish or emotional distress), sickness, disease or death of any Employee, contractor or worker who is under the direction, control and/or supervision of the Insured or for whose workplace safety the Insured is responsible;

c) arising out of or in respect of actual or alleged unlawful discrimination (or other unlawful act, error or omission) by any Insured against any Employee or employment applicant; or

d) if an Insured is either an incorporated body or a director or officer of any incorporated body, arising from any act, error or omission of a director or officer of any incorporated body while acting in that capacity; or

e) arising from ownership or occupation (or alleged occupation) of land or buildings by an Insured; or

f) arising from or in respect of the ownership, control over, operation or use of any aircraft, marine craft or motor vehicles of any kind.

7.10 Punitive and exemplary damages, fines and penalties

based upon, directly or indirectly arising from or attributable to any:

a) punitive, aggravated or exemplary damages; or

b) fines or penalties; or

c) criminal liabilities.
7.11 Intentional damage

arising from:

a) acts, errors, omissions by an Insured, with the intention of causing a third party loss, damage or injury, or with reckless disregard for the potential consequences of any acts, errors or omissions; or
b) any wilful breach of any statute, contract or duty by an Insured.

7.12 Deregistration

In so far as an Insured is required by law to maintain a registration or any form or certification to lawfully practice or provide the Professional Services, Claims or Covered Claims arising from acts, errors or omissions by or on behalf of the Insured which occurred at a time when such registration was not held, was cancelled or suspended or was otherwise not current and valid.

7.13 Asbestos

which would not have arisen but for the existence of asbestos.

7.14 Nuclear or radioactive materials

arising from:

a) ionising radiations or contamination by radioactivity from any nuclear material; or
b) the hazardous properties of any nuclear explosive, assembly or component.

7.15 War and civil war

based upon, directly or indirectly arising from or attributable to:

a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war;
b) insurrection, rebellion, revolution, military or usurped power.

7.16 Terrorism

based upon, directly or indirectly arising from or attributable to any:

a) act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, illness, injury, death, cost or expense; or
b) action in controlling, preventing, suppressing, retaliating against, or responding to any act of Terrorism.

7.17 Pollution

based upon, directly or indirectly arising from or attributable to the Insured or anyone on behalf of or at the direction of the Insured discharging, dispersing, releasing or permitting Pollutants to escape into or upon land, the atmosphere, or any water course or body of water (Pollution); however this exclusion will not apply if the Pollution results from an error or omission in design and/or advice and/or specification in the provision of the Professional Services.

7.18 UN sanctions

based upon, directly or indirectly arising from, attributable to the provision of Cover or benefit under this Policy to the extent that the provision of such Cover or benefit would contravene any sanction, prohibition or restriction under any United Nations resolutions or the trade or economic sanctions, law or regulations of the European Union, United Kingdom or Unites States of America.

Section 8
General terms and conditions
Investigation, defence and settlement of claims

8.1 We must be told about claims

The Policyholder must tell Us in writing about a Claim as soon as possible during the Period of Insurance. If this is not done an Insured’s right to Cover under this Policy may be affected.

8.2 Claims co-operation

Each Insured must:

a) diligently do, and allow to be done, everything reasonably practicable to avoid or lessen an Insured’s liability in relation to a Claim or Covered Claim, Covered by this Policy;
b) immediately give Us all the help and information that We reasonably require to:
   i. investigate and defend a Claim or Covered Claim; and
   ii. determine Our liability under this Policy.

8.3 We can protect our position

When We receive a notification under this Policy of any matter, We can take whatever action We consider appropriate to protect Our position or the Insured’s position in respect of any such matter.

This does not, however:

a) indicate that any Insured is entitled to be Covered under this Policy; or
b) prejudice Our rights under the Policy or at law.

8.4 Disclosure of information to us in respect of cover

The Insured shall share confidential and privileged information with Us and with Our legal advisers who We appoint about any matter notified to Us under the Policy.

We have a common interest with the Insured and with appointed legal advisers in the investigation, defence and settlement of any matter notified to Us under the Policy (Common Interest).
8.5 We can manage the covered claim

We:

a) can assume conduct of and defend or settle in the Insured’s name any Covered Claim; or

b) subject to Section 6.6 of the Policy, have the duty where and the Policyholder so requests, to manage any matter (including the investigating, defence or settlement) in respect of which We have confirmed Cover under the Policy; and

c) can take any action, in the Insured’s name, to pursue any right any Insured may have in connection with any Covered Claim.

8.6 An insured must not admit liability for or settle any covered claim

An Insured must not:

a) admit liability for, or settle any Covered Claim; or

b) incur any costs or expenses for a Covered Claim without first obtaining Our prior written consent (which shall not be unreasonably delayed or withheld). If Our prior written consent is not obtained, the Insured’s right to Cover under this Policy may be affected.

8.7 Policyholder’s right to contest

If the Policyholder does not consent to a settlement that We recommend and wants to contest or continue the dispute or legal proceedings, then We only provide Cover (subject to the Policy Limit or Specific Cover Limit as applicable) for:

a) the amount We could have settled the matter for; less

b) the applicable Excess; plus

c) the Claim Investigation Costs incurred up to the date the Policyholder elected not to consent to the settlement.

8.8 Senior counsel

a) Unless a Senior Counsel, that We instruct, advises that the Claim or Covered Claim (which We have agreed to Cover) should be contested, neither We nor the Policyholder can require the other to contest any legal proceedings about a Claim if the other does not agree to do so.

b) In formulating his or her advice, Senior Counsel must be instructed to consider the:

i. economics of the matter, having regard to but not limited to, the:
   1. damages and costs likely to be recovered; and
   2. likely costs of defence; and

ii. Insured’s prospects of successfully defending the Claim or Covered Claim.

c) The cost of Senior Counsel's opinion will form part of the Claim Investigation Costs.

d) If Senior Counsel advises that the matter should be or is appropriate to be settled and if the terms of settlement which We recommend are within limits which are reasonable (in Senior Counsel's opinion and in the light of the matters he/she is required to consider), then the Insured:

i. cannot (subject to Section 8.7) object to the settlement; and

ii. must immediately pay any applicable Excess.

8.9 Payments to settle potential claims

Any money We pay to settle, and/or investigate anything which might give rise to a Claim or Covered Claim, is taken to be a payment:

a) to settle a Claim or Covered Claim; and

b) for the purpose of calculating the total of all Claims or Covered Claims under this Policy.

8.10 Recovering money from employees

We must not recover any amount paid out in respect of a Claim or Covered Claim under this Policy from any Employee unless the Claim or Covered Claim arose from dishonest, fraudulent, criminal or malicious acts or omissions of the Employee.

8.11 Offsetting costs and expenses

If We incur costs or expenses above Our liability under the Policy for Claim Investigation Costs, then the Insured must pay whatever amount is above that liability immediately We ask for it.

We can offset that payment due from the Insured against (and deduct that amount from) any amount We are required to pay to or on behalf of the Insured under this Policy.

8.12 Loss prevention

The Insured shall, as a condition to Cover under this Policy, take all reasonable steps to prevent any act, error, omission or circumstance which may cause or contribute to any Covered Claim.
8.13 Other insurance which may cover the risk

The Policyholder must immediately advise Us in writing of any insurance already effected or which may subsequently be effected covering, in total or in part and whether absolutely or contingently, the risk, or any part of it, Covered by this Policy.

8.14 Severability and non-imputation

For the sake of determining Cover under this Policy:

a) the Proposal shall be construed to be a separate application for cover by the Policyholder and by each natural person Covered by the Policy, and no statement or representation in or with respect to the Proposal by such person shall be imputed to any other natural person Covered by the Policy, and

b) knowledge possessed by and/or conduct of one natural person Covered by the Policy shall not be imputed to any other natural person Covered by the Policy, and

c) any knowledge possessed by and/or conduct of any past or present Principal, company secretary, chief executive officer, chief operating officer, chief financial officer, chief risk officer, in-house general counsel, or any person who signed the declaration or proposal form in connection with this Policy or any policy of which this Policy is a renewal or replacement, shall be imputed to the Policyholder.

8.15 Allocation

a) To the extent that a Claim comprises Covered Matters and Uncovered Matters, We will use best endeavours to agree a fair allocation between Covered Matters and Uncovered Matters having regard to the relative legal and financial exposure attributable to the Covered Matters and Uncovered Matters.

b) This allocation will apply to Claim Investigation Costs.

c) Any dispute between Us and the Policyholder on the allocation will be resolved by a Senior Counsel that We and the Policyholder both agree to instruct or in the absence of agreement, as appointed by the President of the Bar Association in the state or territory of the first address of the Policyholder shown on the Policy Schedule or if no address is shown there, as shown on the Proposal.

d) Any allocation between Covered Matters and Uncovered Matters as determined by Senior Counsel will apply retrospectively to the Claim Investigation Costs paid by Us or the Policyholder notwithstanding any prior payment on a different basis, unless otherwise agreed.

e) The cost of Senior Counsel’s opinion will form part of the Claim Investigation Costs.

8.16 Payment in Australian dollars in Australia

All premiums and Claims must be paid in Australian dollars in Australia.

Other matters

8.17 Material change in the risk

The Policyholder must immediately advise Us in writing if any of the following occurs during the Period of Insurance:

a) undertaking activities that are materially different from the Professional Services;

b) any cancellation or suspension, or loss of or condition imposed, upon any licence, registration or other authority required by the Insured to conduct the Professional Services; or

c) the Insured being insolvent, bankrupt or in liquidation; or

d) a Run-Off Event.

8.18 Authority to accept notices and to give instructions

The Policyholders listed in the Schedule are appointed individually and jointly as agent of each Insured in all matters relating to this Policy, and to Claims or Covered Claims, Covered by the Policy.

In particular (but without limitation) the Policyholders listed in the Schedule are agents for the following purposes:

a) give and receive notice of Policy cancellation, to pay premiums and to receive any return premiums that may become due under this Policy; and

b) accept endorsements or other notices provided for in this Policy; and

c) give instructions to solicitors or counsel that We appoint or agree to, and to receive advice from them and to act on that advice; and

d) consent to any settlement We recommend; and

e) do anything We or Our legal advisers think might help with the procedures set out in this Policy for investigating, defending or settling Claims or Covered Claims; and

f) give Us information relevant to this Policy, which We can rely on when We decide whether to accept the risk, and set the Policy terms or the premium.

8.19 Law of the policy

This Policy is governed by the law of the Territory or State where the Policy was issued, which is stated in the Schedule. The courts of that place have exclusive jurisdiction in any dispute about or under this Policy.

8.20 Territory covered by this policy

Cover under this Policy is not restricted by where anything giving rise to the Claim occurred. However, Our Cover is restricted to Claims brought under the legal jurisdiction of the courts of Australia and New Zealand (or any country specified in the Schedule, under the heading ‘Jurisdictional Limits’).
8.21 Schedule must be included

This Policy is only legally enforceable if it includes a Schedule signed by one of Our officers.

Cancelling the policy

8.22 The policyholder can cancel the policy

The Policyholder is entitled to cancel this Policy from the date We receive a written request to cancel the Policy. We will be entitled to retain a premium for the pro-rata time on risk subject to a minimum administration charge of $250 plus applicable statutory charges.

8.23 We can cancel the policy

a) We may cancel this Policy at any time in accordance with the relevant provisions of Section 60 of the Insurance Contracts Act 1984, by giving notice in writing to the Policyholder of the date from which cancellation is to take effect.

b) We may deliver this notice to the Policyholder personally, or post it by certified mail (to the Policyholder’s broker or to the address the Policyholder last gave Us). Proof that We mailed the notice is sufficient proof that the Policyholder received the notice.

8.24 Refund of premium

After cancellation pursuant to Section 8.23, We will refund the premium for the time remaining on the Policy, less any non-refundable duties, unless an Insured has made a fraudulent claim under the Policy.

Section 9
Words with special meanings

9.1 Civil liability

The compensatory damages, costs and expenses in respect of a Claim which includes the legal costs of the person making the Claim, for which an Insured becomes liable.

9.2 Claim

The receipt by an Insured of:

a) any originating process (in a legal proceeding or arbitration), cross claim or counter claim or third party or similar notice claiming compensation against an Insured; or

b) any written or verbal demand from a third party claiming compensation against an Insured.

9.3 Claim Investigation costs

The reasonable and necessary legal costs and expenses (including any expert costs where the choice of expert has been approved by Us) of investigating, defending or settling any:

a) Claim or Covered Claim; or

b) originating process (in a legal proceeding or arbitration), cross claim or counter claim or third party or similar notice or written or verbal demand from a third party claiming declaratory and/or other equitable relief against an Insured arising from the provision of the Professional Services.

9.4 Cover

Indemnity and indemnity shall not include any component of profit.

9.5 Covered claim

The:

a) Claims, liabilities, losses, costs, and other matters Covered under the Policy; or

b) circumstances which may give rise to any of the matters set out in a) above, in respect of which We elect to protect the Insured’s or Our position pursuant to Section 8.3 of the Policy.

9.6 Covered matters

That part of a Claim, or Covered Claim made against or sought from the Insured for which We provide Cover.

9.7 Documents

Documents of any nature including the electronically stored data, software or computer programs for or in respect of any computer system; but not including bearer bonds, coupons, bank notes, currency notes or negotiable instruments.

Loss or damage to Documents does not include loss or damage (including rearrangement) to such electronically stored data, software or computer programs arising from any computer virus or malware or from any design or programming defect in any computer program or computer operating system.

9.8 Employee

A natural person who is not a Principal, but who is or was, at the time the relevant act, error or omission giving rise to the Claim occurred, a person who:

a) provided services to and was remunerated by the Policyholder for that service under a contract of service; or

b) was or is deemed to be an employee or worker under the Superannuation Guarantee (Administration) Act 1992 (Cth), any workers compensation legislation in the relevant State or territory, or any other relevant legislation; or

c) a volunteer worker, apprentice, trainee, work experience personnel or student,
and in respect of a), b) and c) above is or was at the time of the act, error or omission, under the Policyholder’s direction, control and supervision in the provision of Professional Services.

9.9 Enquiry

Any legal or quasi legal enquiry including coronial enquiries (into a matter arising directly out of the provision of Professional Services and such matter is the subject of and is not excluded from Cover under this Policy) by a body conducting the enquiry (including a regulatory, licensing or statutory body) which has jurisdiction over the Insured (either by reason of a statutory power or by reason of the Insured’s membership of a professional association which has the power to discipline its members).

9.10 Excess

Excess means the sum shown in the Schedule or in Sections 4 or 5 of the Policy (as applicable), which the Covered Claim must exceed before We will be liable under this Policy in respect of each Covered Claim. It is described in more detail in Section 6.6.

9.11 Former principal

A person who has been, but is no longer:

a) Principal of a Policyholder; or

b) the Principal of any corporate entities through which the Policyholder previously traded, in the course of the provision of the Professional Services.

9.12 Insured

Each of the following, individually and jointly:

a) the Policyholder;

b) any Subsidiary;

c) any past and/or present Employee, but only in his or her capacity as such.

9.13 Intellectual property

Copyright, design, patent, trade mark or moral right, including false attribution of authorship or any other intellectual property rights which exist in Australia or New Zealand whether created by statute or at common law.

9.14 Interested Party

Any third party, who is not otherwise an Insured, with whom the Insured has contracted to provide Professional Services for and on behalf of.

9.15 Joint venture

An undertaking (regardless of what it is called) which the Policyholder carries on together with someone else who is not otherwise Covered under this Policy.

9.16 Known circumstance

Any fact, situation or circumstance which:

a) an Insured was aware of at any time before the Period of Insurance or any relevant amendment or endorsement of the Policy; or

b) a reasonable person in the Insured’s professional position would have thought, at any time before the Period of Insurance or before any relevant amendment or endorsement of the Policy, might result in someone making an allegation against an Insured in respect of a liability, loss or costs, that might be Covered by this Policy or the amendment/endorsement to this Policy.

9.17 Lost

means Documents destroyed, damaged, lost, distorted, erased or mislaid as a result of one event solely in the provision of Professional Services and Loss shall have a corresponding meaning.

9.18 Period of insurance

The ‘Period of Insurance’ stated in the Schedule.

9.19 Policy

The insurance Policy made up of:

a) this Policy document;

b) the Schedule; and

c) the endorsements, if any, contained in the Schedule.

9.20 Policy limit

The limit stated in the Schedule as the ‘Total Sum Insured’. See also Section 6 of this Policy.

9.21 Policyholder

Each of the following, individually and jointly:

a) each person, firm or incorporated body identified in the Schedule as ‘The Policyholder’, each Principal or Former Principal of any such firm or incorporated body; and

b) any entity which is engaged in the provision of Professional Services and which is created and controlled, during the Period of Insurance, by anyone identified in the Schedule as ‘The Policyholder’; and

c) anyone who becomes a Principal of the ‘The Policyholder’ identified in the Schedule, during the Period of Insurance (but only in respect of work undertaken for or on behalf of ‘The Policyholder’ identified in the Schedule).
9.22 Pollutants
Any solid, liquid, gas or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkali, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

9.23 Premium
‘Total Payable Premium’ as stated in the Schedule.

9.24 Principal
A sole practitioner, a partner of a firm, or a director of a company, which practitioner, firm, director or company is Covered by this Policy.

9.25 Professional services
The provision by or on behalf of the Policyholder of the ‘Professional Services’ stated in the Schedule.

9.26 Proposal
The written or electronic proposal form (the date of which is stated in the Schedule) together with any supplementary material completed by or on behalf of the Insured, that was given to Us, and relied on by Us to effect this Policy.

9.27 Publicity campaign
A publicity and/or public relations campaign or campaigns designed and implemented by a public relations consultant.

9.28 Run-Off event
A Policyholder ceasing to exist or operate, or is consolidated with, merged into or acquired by another entity.

9.29 Schedule
The schedule attached to this Policy or any schedule subsequently substituted during the Period of Insurance and duly signed by one of Our officers.

9.30 Specific cover limits
The limit of Cover for each of the matters listed in the Schedule under ‘Specific Cover Limits’ or in Sections 3, 4 and 5 of this Policy which are included within, and are not in addition to the Policy Limit.

9.31 Subsidiary
a) Any company or other incorporated entity which at the commencement of the Period of Insurance by virtue of Australian law was, or is, either directly or indirectly a subsidiary of any incorporated body identified in the Schedule as ‘The Policyholder’.
b) ‘Subsidiary’ does not include:
   i. an entity incorporated or domiciled in the United States of America or its territories or protectorates;
   ii. an entity that has its securities listed on any securities exchange;
   iii. an entity whose total gross professional fees and/or total revenue exceeds, as at its last balance date or date of its creation (whichever is sooner), 20% of the total gross professional fees and/or total revenue of of any incorporated body identified in the Schedule as ‘The Policyholder’ unless such entity is included by way of endorsement to this Policy.

9.32 Terrorism
Terrorism includes 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; or
   b) involves damage to property; or
   c) endangers life other than that of the person committing the action; or
   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.

9.33 Uncovered matters
That part of a Claim or Covered Claim made against or sought from the Insured for which We do not provide Cover.

9.34 We or us or our
CGU Professional Risks, Insurance Australia Limited ABN 11 000 016 722 trading as CGU Insurance
CONTACT DETAILS

Enquiries  13 24 81
Claims     13 24 80

Mailing address
GPO Box 9902 in your capital city

Sydney
388 George Street
Sydney NSW 2000

Melbourne
181 William Street
Melbourne VIC 3000

Brisbane
189 Grey Street
South Bank QLD 4101

Perth
46 Colin Street
West Perth WA 6005

Adelaide
80 Flinders Street
Adelaide SA 5000

CGU.COM.AU