



Vero Steadfast Client Trading Platform (SCTP) Professional Indemnity Insurance



Vero SCTP Professional Indemnity Insurance Policy

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About this booklet

This booklet contains 2 separate parts: Notices and the Policy Terms and Conditions.

Introduction

Please read the policy carefully to ensure that it meets your requirements. It is written on a claims made and notified basis, which means that, subject to the 'Continuous Cover' clause, it will only respond to claims first made against the insured and notified to the insurer during the policy period (or notified in accordance with the terms of any applicable additional or extended reporting period).

Any word or expression to which a specific meaning has been attached shall bear that specific meaning wherever it may appear.

You received important notices about your duty of disclosure, unusual terms in professional indemnity insurance policies and our privacy statement prior to purchasing this policy. The notices are replicated below for your reference. A reference to "you" or "your" in the notices section below includes the Insured.

Policy Terms and Conditions

The Policy part of this booklet contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It forms part of your legal contract with us.

If we issue you with an insurance policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send to you form your legal contract with us so please keep them in a safe place for future reference.

If you require further information about this product, please contact your Steadfast broker.

About Vero

Supported by over 180 years of experience, Vero provides market leading insurance products and solutions to businesses of all sizes. From small start-ups right through to some of Australia's largest corporations, our focus is to help you succeed in business.

Through a strong network of brokers, agents and corporate partners, we offer insurance products in property, small business, commercial motor, professional indemnity, construction and engineering, liability, travel, marine and personal insurance.

At Vero, we cover the risks today so you can focus on your future.

Vero is a member of the Suncorp Group of companies.

About Steadfast

Steadfast, established in 1996, is the largest general insurance broking network and the largest underwriting agency group in Australia and New Zealand. Our network provides services to over 340 broker businesses across Australia, New Zealand, Singapore and London. Steadfast Network Brokers and Steadfast Underwriting Agencies generated billings of more than \$6 billion for the 12 months ended 30 June 2016. Steadfast also operates as a co-owner and consolidator through its equity interests in a number of broker businesses, underwriting agencies and other complementary businesses.

Important information about Steadfast's advice

Any advice Steadfast gives about the policy does not take into account any of your particular objectives, financial situation or needs. For this reason, before you act on Steadfast's advice, you should consider the appropriateness of the advice taking into account your own objectives, financial situation and needs. Before you make any decisions about whether to acquire this policy we recommend you should read this Insurance policy.

Notices

These notices do not form part of the policy.

Your duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- ▼ reduces the risk we insure you for; or
- ▼ is common knowledge; or
- ▼ we know or should know as an insurer; or
- ▼ we waive your duty to tell us about.

If you do not tell us something

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

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Claims made and notified basis of coverage and retroactive date

This policy is issued on a 'claims made and notified' basis. This means that the policy covers claims:

1. first made against you during the policy period; and
2. which you tell us about during the policy period.

Where your policy has an additional or extended reporting period, subject to the terms of the policy, you may have:

- (i) an additional period to tell us about claims first made against you during the policy period; and/or
- (ii) cover for claims first made against you during the extended reporting period and which you tell us about during the extended reporting period – provided the claims are based on an act, error, or omission alleged to have been committed prior to the expiry of the policy period.

Pursuant to section 54 of the Insurance Contracts Act 1984, if you tell us about claims first made against you during the policy period (or additional or extended reporting period, if applicable), after the policy period and any applicable additional or extended reporting period expires, we may be able to reduce our liability by an amount that fairly represents the extent to which our interests were prejudiced as a result of your delay in notifying us of the claim.

Written notification of facts pursuant to section 40(3) of the Insurance Contracts Act 1984: If during the policy period, you learn about facts that might lead to a claim and you tell us in writing about these facts as soon as reasonably practicable after you became aware of those facts but before the end of the policy period, we will treat any subsequent claim arising from those facts as though it was made against you during the policy period.

The policy doesn't cover claims or potential claims that you knew about prior to the policy period which would have put a reasonable person in your position on notice that a claim may be made against you. (There are some exceptions to this rule if a 'Continuous Cover' extension applies).

If a retroactive date is applied or shown on the policy schedule, the policy doesn't cover claims resulting from an act or failure to do something before that date.

Average provision

If your policy provides for costs in addition to the limit of indemnity and if a payment in excess of the limit of indemnity available under your policy has to be made to dispose of a claim, the insurer shall only be liable for the percentage of the costs and expenses incurred with the insurer's prior consent that is a proportionate ratio to the amount of indemnity available under this policy.

Retroactive date

You will not be entitled to indemnity under your new policy in respect of any claim resulting from an act, error or omission occurring or committed by you prior to the retroactive date, where one is specified in the policy terms offered to you.

Subrogation waiver

This policy contains provisions that have the effect of excluding the insurer's liability for a loss or liability due to the insured entering into:

- (a) any agreement whereby the insured releases, agrees not to sue or waives or prejudices any rights of recovery;
- (b) any deed or agreement excluding, limiting or delaying the legal rights of recovery against another party; or
- (c) any agreement or compromise whereby any rights or remedies to which the insurer would be subrogated are or may be prejudiced.

Privacy statement

AAI Limited trading as Vero Insurance is the insurer and issuer of your commercial insurance product, and is a member of the Suncorp Group, which we'll refer to simply as "the Group".

Why do we collect personal information?

Personal information is information or an opinion about an identified individual or an individual who is reasonably identifiable. We collect personal information so that we can:

- ▼ identify you and conduct appropriate checks;
- ▼ understand your requirements and provide you with a product or service;
- ▼ set up, administer and manage our products and services and systems, including the management and administration of underwriting and claims;
- ▼ assess and investigate any claims you make under one or more of our products;
- ▼ manage, train and develop our employees and representatives;
- ▼ manage complaints and disputes, and report to dispute resolution bodies; and
- ▼ get a better understanding of you, your needs, your behaviours and how you interact with us, so we can engage in product and service research, development and business strategy including managing the delivery of our services and products via the ways we communicate with you.

What happens if you don't give us your personal information?

If we ask for your personal information and you don't give it to us, we may not be able to provide you with any, some, or all of the features of our products or services.

How we handle your personal information

We collect your personal information directly from you and, in some cases, from other people or organisations. We also provide your personal information to other related companies in the Group, and they may disclose or use your personal information for the purposes described in 'Why do we collect personal information?' in relation to products and services they may provide to you. They may also use your personal information to help them provide products and services to other customers, but they'll never disclose your personal information to another customer without your consent.

Under various laws we will be (or may be) authorised or required to collect your personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Personal Property Securities Act 2009, Corporations Act 2001, Autonomous Sanctions Act 2011, Income Tax Assessment Act 1997, Income Tax Assessment Act 1936, Tax Administration Act 1953, A New Tax System (Goods and Services Tax) Act 1999 and the Australian Securities and Investments Commission Act 2001, as those laws are amended and includes any associated regulations.

We will use and disclose your personal information for the purposes we collected it as well as purposes that are related, where you would reasonably expect us to. We may disclose your personal information to and/or collect your personal information from:

- ▼ other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
- ▼ any of our Group joint ventures where authorised or required;
- ▼ customer, product, business or strategic research and development organisations;
- ▼ data warehouse, strategic learning organisations, data partners, analytic consultants;
- ▼ social media and other virtual communities and networks where people create, share or exchange information;
- ▼ publicly available sources of information;
- ▼ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- ▼ a third party that we've contracted to provide financial services, financial products or administrative services – for example:
 - ▼ information technology providers,
 - ▼ administration or business management services, consultancy firms, auditors and business management consultants,

- ▼ marketing agencies and other marketing service providers,
- ▼ claims management service providers
- ▼ print/mail/digital service providers, and
- ▼ imaging and document management services;
- ▼ any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;
- ▼ a third party claimant or witnesses in a claim;
- ▼ accounting or finance professionals and advisers;
- ▼ government, statutory or regulatory bodies and enforcement bodies;
- ▼ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where you are an insured person but not the policy or product holder;
- ▼ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- ▼ the Australian Financial Complaints Authority or any other external dispute resolution body;
- ▼ credit reporting agencies;
- ▼ other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- ▼ legal and any other professional advisers or consultants;
- ▼ hospitals and, medical, health or wellbeing professionals;
- ▼ debt collection agencies;
- ▼ any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, eg your mother.

We'll use a variety of methods to collect your personal information from, and disclose your personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. We may collect and disclose your personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

Overseas disclosure

Sometimes, we need to provide your personal information to – or get personal information about you from – persons or organisations located overseas, for the same purposes as in 'Why do we collect personal information?'

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at www.vero.com.au/privacy, or you can call us for a copy.

From time to time, we may need to disclose your personal information to, and collect your personal information from, other countries not on this list. Nevertheless, we will always disclose and collect your personal information in accordance with privacy laws.

How to access and correct your personal information or make a complaint

You have the right to access and correct your personal information held by us and you can find information about how to do this in the Suncorp Group Privacy Policy.

The Suncorp Group Privacy Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint. You can get a copy of the Suncorp Group Privacy Policy.

Please use the contact details in **Contact Us**.

Contact us

For more information about our privacy practices including accessing or correcting your personal information, making a complaint, obtaining a list of overseas countries or giving us your marketing preferences you can:

- ▼ Visit www.vero.com.au/privacy.
- ▼ Speak to us directly by phoning us on: 1300 888 073 or
- ▼ Email us at privacyaccessrequests@vero.com.au

General Insurance Code of Practice

We support the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by:

- ▼ Telephone (02) 9253 5100 or 1300 728 228
- ▼ Website www.insurancecouncil.com.au

Our complaints handling procedures

We are committed to:

- ▼ listening to what you tell us;
- ▼ being accurate and honest in telling you about our products and services;
- ▼ communicating with you clearly; and
- ▼ resolving any complaints or concerns you have in a fair, transparent and timely manner.

How to contact us with a complaint

Let us know

If you experience a problem, are not satisfied with our products or services or a decision we have made, let us know so that we can help.

Contact us:

- ▼ By phone: 1300 888 073
- ▼ By email: claims@vero.com.au

Complaints can usually be resolved on the spot or within 5 business days.

Review by our Customer Relations Team

If we are not able to resolve your complaint or you would prefer not to contact the people who provided your initial service, our Customer Relations team can assist:

- ▼ By phone: 1300 264 470
- ▼ By email: idr@vero.com.au
- ▼ In writing: Vero Customer Relations Team, PO Box 14180, Melbourne City Mail Centre VIC 8001

Customer Relations will contact you if they require additional information or they have reached a decision.

When responding to your complaint you will be informed of the progress of and the timeframe for responding to your complaint.

Seek review by an external service

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, there are external dispute remedies such as mediation, arbitration or legal action you may pursue.

Goods and Services Tax

As part of the premium, the insurer will charge the Named Insured an amount on account of GST, stamp duty and any other government charges and levies that apply. The premium also includes any discounts the insurer has given the Named Insured, and these discounts are applied before the addition of any applicable government taxes and charges.

The Insured must tell the insurer about the input tax credit (ITC) the Insured is entitled to for their premium and the Insured's claim, each time the Insured makes a claim. If the Insured does not give the insurer this information or if the Insured tells the insurer an incorrect ITC, the insurer will not pay any GST liability the Insured incurs.

The insurer's liability to the Insured will be calculated taking into account any ITC to which the Insured is entitled for any acquisition which is relevant to the claim, or to which the Insured would have been entitled had the Insured made a relevant acquisition.

In respect of the Insured's Policy, where the Insured is registered for GST purposes the Insured should calculate the insured amount having regard to the Insured's entitlement to input tax credits. The Insured should, therefore, consider the net amount (after all input tax credits) which is to be insured and determine an insured amount on a GST exclusive basis.

This outline of the effect of the GST on the Insured's Policy is for general information only. The Insured should not rely on this information without first seeking expert advice on the application of the GST to the Insured's circumstances.

'GST', 'input tax credit' and 'acquisition' have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

Policy Terms and Conditions For Professional Indemnity policy

Preamble

In consideration of payment of the Premium, We will provide indemnity in accordance with, and subject to, the terms of this Policy.

Insurer

The Policy is underwritten by AAI Limited ABN 48 005 297 807 trading as Vero Insurance.

Your Policy

The Professional Indemnity Policy consists of the Policy Terms and Conditions in this booklet and the Policy Schedule We give the Insured.

The Insured should read the Policy carefully, and satisfy itself that it provides the cover required.

If the Insured wants more information about any part of the Policy, please ask Us, or your Steadfast broker.

The Insured should keep the policy booklet and Policy Schedule together in a safe and convenient place for future reference.

Preventing our right of recovery

If the Insured has agreed not to seek compensation from another person who is liable to compensate the Insured for any loss, damage or liability which is covered by this Policy, We will not cover the Insured under this Policy for that loss, damage or liability.

How Goods and Services Tax affects any payments we make

We will reduce the GST amount We pay for by the amount of any input tax credits to which the Insured is or would be entitled if it made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through the Insured's Business Activity Statement (BAS).

The Insured must advise Us of its correct Australian Business Number & Taxable Percentage.

Section 1 – Insuring Clauses

Insuring Clause A

1.1 Civil Liability Insuring Clause

We agree to indemnify the Insured against civil liability for compensation (including claimants' costs, fees and expenses awarded against or recoverable from the Insured) arising from any Claim first made against the Insured during the Period of Insurance and notified to Us during the Period of Insurance in respect of civil liability incurred or alleged to have been incurred in the conduct of the professional activities and duties of the Professional Business.

Insuring Clause B

1.2 Costs and Expenses Insuring Clause

We agree to pay Costs and Expenses in addition to the Indemnity Limit, up to an amount not exceeding the Indemnity Limit, in respect of any Claim indemnified by this Policy.

If We elect not to take over and conduct, in the name of the Insured, the defence or settlement of a Claim, We agree to pay Costs and Expenses within a reasonable time frame following Our receipt of invoices specifying such Costs and Expenses and prior to determining the Insured's entitlement to indemnity for the Claim.

In determining the Insured's entitlement to indemnity under this Policy in respect of a Claim, We agree that We will not rely on Exclusion 5.6 (Fraud, Dishonesty or Intentional Acts) unless and until:

- (a) the Insured makes an admission in writing of any conduct described in Exclusion 5.6 (Fraud, Dishonesty or Intentional Acts), or
- (b) it has been established through a judicial process that the Insured has committed any conduct described in Exclusion 5.6 (Fraud, Dishonesty or Intentional Acts).

The payment of any Costs and Expenses is subject to the following conditions:-

- (i) the payment of any Costs and Expenses to the Insured by Us does not constitute an acceptance by Us of the Insured's right to indemnity for any Claim.
- (ii) if either (a) or (b) above applies or for any other reason it is determined that a Claim is not covered by this Policy, We may cease to pay Costs and Expenses to the Insured, unless We, at Our sole discretion, decide to continue to pay Costs and Expenses resulting from such Claim.
- (iii) where either (a) or (b) above applies or for any other reason it is determined that a Claim is not covered by this Policy, the Insured will refund Costs and Expenses paid by Us, unless We agree in writing to waive recovery of such Costs and Expenses.

Insuring Clause Clarification

For the avoidance of doubt, the indemnity provided by Insuring Clauses A and B (clauses 1.1 and 1.2) includes, but is not limited to any civil liability incurred or alleged to have been incurred by the Insured in the conduct of the professional activities and duties of the Professional Business:

- 1.3 for breach of a contract for the provision of professional services.
- 1.4 for breach of fiduciary duty.
- 1.5 for breach of warranty of authority committed, by or on behalf of the Insured, in good faith and in the belief that appropriate authority was held.
- 1.6 for any unintentional infringement of copyright, moral right (under the Copyright Act 1968 Commonwealth), trademarks, service marks, registered design or patent, or any plagiarism or breach of confidentiality.
- 1.7 for defamation.
- 1.8 under the terms of the Competition and Consumer Act 2010 (Commonwealth), the Fair Trading Act 1987 (NSW), the Fair Trading Act 1985 (Victoria) or similar legislation enacted by the other states or territories of the Commonwealth of Australia or the Dominion of New Zealand.

Section 2 – Retroactive Date

- 2.1 "Unlimited Retroactive Cover" – if no Retroactive date is specified in the Schedule or if the Retroactive date is specified in the Schedule as "Unlimited", this Policy shall provide indemnity in respect of Claim(s) arising from acts, errors or omissions committed or alleged to have been committed irrespective of when such acts, errors or omissions were committed (or were alleged to have been committed).
- 2.2 "Limited Retroactive Cover" – where a Retroactive date is specified in the Schedule, then this Policy shall only provide indemnity in respect of Claim(s) arising from acts, errors or omissions committed or alleged to have been committed on or after the Retroactive date.

Section 3 – Automatic Policy Extensions

Preamble

We shall provide indemnity as is available under this Section, for no additional premium, PROVIDED ALWAYS THAT:

- (a) the indemnity provided by each Policy Extension is subject to the Schedule, Insuring Clauses, Conditions, Definitions, Exclusions, Deductible and other terms of this Policy (unless otherwise expressly stated herein);
- (b) the inclusion of any Policy Extension shall not increase the Indemnity Limit or the Maximum Aggregate Limit.

3.1 Additional benefit – Claims preparation costs

We will pay up to \$25,000 in the aggregate during the Period of Insurance for reasonable professional fees and such other expenses incurred by the Insured for the preparation of any Claim that is covered under this Policy.

The cover provided under this Policy Extension operates in addition to the Indemnity Limit. PROVIDED ALWAYS THAT such cover shall not include any Costs and Expenses (as defined in Definition 8.3 - Costs and Expenses).

3.2 Consultants, Sub-contractors and Agents

The conduct of the professional activities and duties of the Professional Business shall be deemed to include, acts, errors or omissions of consultants, sub-contractors or agents of the Named Insured, while undertaking work in connection with the conduct of the professional activities and duties of the Professional Business and for which the Named Insured is liable.

We will also indemnify any consultant, sub-contractor or agent themselves, PROVIDED ALWAYS THAT:

- (a) this cover shall only apply in respect of services provided for and on behalf of the Named Insured; and
- (b) the relevant act, error or omission giving rise to the Claim occurred at the time when the consultant, sub-contractor or agent was under the Named Insured's direct control and supervision.

3.3 Continuous Cover

We agree to indemnify the Insured for any Claim, otherwise covered by this Policy, arising from any Known Circumstance (notwithstanding Exclusion 5.12 - Known Claims and Known Circumstances) if:

- (a) We were the professional liability insurer of the Insured when the Insured first knew of such Known Circumstance, and
- (b) We continued without interruption to be the Insured's professional liability insurer up until this Policy came into effect; and
- (c) had We been notified by the Insured of the Known Circumstance when the Insured first knew of it, the Insured would have been covered under the policy in force at that time but is not now entitled to be covered by that policy.

The Insured agrees that it will not seek indemnity from Us in respect of the Claim or any Claim arising out of the Known Circumstance under any other policy issued by Us.

We may reduce the amount We pay out under this provision by the amount of any prejudice We may suffer in consequence of any delayed notification to Us.

The limit of Our liability provided under this Policy Extension is the lesser of the limit of Our liability under the terms of the policy in force at the earlier time referred to in paragraph (c) above, or the Indemnity Limit under this Policy. The terms of this Policy otherwise apply.

3.4 Court Attendance Costs

For any person described in (a) or (b) below who actually attends court as a witness in connection with a Claim notified under and covered by this Policy, it is agreed that Costs and Expenses will include the following rates per day on which attendance in court has been required:-

- (a) for any person who was or is a principal, partner or director of the Named Insured: \$500.
- (b) for any person who was or is an Employee of the Named Insured: \$250.

No Deductible shall apply to this Policy Extension.

3.5 Estates and Legal Representatives

We agree to include in the definition of the Insured (Definition 8.10) the estate, heirs, legal representatives or assigns of any Insured in the event of the death, mental disorder and/or other incapacity or insolvency or bankruptcy of such Insured in respect of any civil liability of the Insured that would have been covered by Insuring Clause A and/or B if the Insured was alive, had capacity or was not insolvent or bankrupt. PROVIDED ALWAYS THAT such persons shall observe and be subject to all the terms of this Policy insofar as they can apply.

3.6 Extended Notification Period

In the event that this insurance is not renewed or is cancelled for any reason other than non-payment of premium then the Insured has until such time that the Insured effects another professional indemnity insurance policy either with Us or any other insurer or a period of sixty (60) days commencing on the day immediately following expiry of this Policy whichever is the lesser period, during which to notify Us of any Claim first made against the Insured in writing within such sixty (60) day or lesser period (as the case may be). PROVIDED ALWAYS THAT it is understood and agreed that:

- (a) We will treat that Claim as if it had been made against the Insured and notified to Us during the immediately preceding Period of Insurance, and
- (b) coverage afforded hereunder does not reinstate or increase the Indemnity Limit or the Maximum Aggregate Limit or extend the Period of Insurance.
- (c) coverage afforded hereunder will only apply to acts, errors or omissions committed or alleged to have been committed by the Insured before the end of the Period of Insurance or the cancellation date of this Policy where this Policy has been cancelled and not before the retroactive date.

3.7 Civil Penalties

Notwithstanding exclusion 5.5 (Fines and Penalties), we agree to indemnify the Insured against Claim compensatory civil penalties imposed by law. Our total liability for the payment of compensatory civil penalties during any one Period of Insurance shall not exceed \$250,000 in the aggregate, which amount shall form part of and not increase the Indemnity Limit.

PROVIDED FURTHER THAT We will not be liable to indemnify the Insured for any compensatory civil penalty:

- (a) for which We are legally prohibited from indemnifying the Insured under Australian law.
- (b) based upon, attributable to or in consequence of any:
 - (i) willful, intentional or deliberate failure to comply with any lawful notice, direction, enforcement action or proceeding under any legislation;
 - (ii) recklessness; or
 - (iii) requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue or impost.

3.8 Fraud, Dishonesty or Intentional Acts

We agree to indemnify the Insured against civil liability for compensation (including claimants' costs, fees and expenses awarded against or recoverable from the Insured) arising from any Claim made against that Insured, which would otherwise be excluded by reason of Exclusion 5.6 (Fraud, Dishonesty or Intentional Acts).

PROVIDED ALWAYS THAT:

- (a) such indemnity shall not be provided to any Insured who committed or condoned any act, error or omission excluded by reason of Exclusion 5.6 (Fraud, Dishonesty or Intentional Acts);
- (b) such indemnity shall not apply to any Claim against any Insured directly or indirectly based upon, attributable to, or in consequence of:
 - (i) the loss of money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes;
 - (ii) the loss of an electronic record which represents a current and transferable obligation of a person to pay the holder of the electronic record an amount or amounts of money described in the electronic record in exchange for delivery, adjustment or cancellation of the electronic record; or
 - (iii) a transaction, direction or dealing involving or in any way relating to a right to be paid money or to have any of the items referred to in subparagraph (i) or (ii) of this paragraph (b) delivered, negotiated or assigned or an electronic record of such a right.

3.9 Joint Venture

If the name of a Joint Venture is included in the Schedule under 'Joint Ventures', then, We will indemnify the Insured for the Insured's joint and individual civil liability, arising out of the conduct of the professional activities and duties of such Joint Venture.

If the name of the Joint Venture is not included in the Schedule under 'Joint Ventures', then, We will indemnify the Insured only for the Insured's individual civil liability and not for the Insured's joint civil liability arising out of the conduct of the professional activities and duties of such Joint Venture.

PROVIDED ALWAYS THAT the business of such Joint Venture is the same as the Professional Business (as defined in Definition 8.19 Professional Business).

3.10 Loss of Documents

We agree to indemnify the Insured in respect of certain loss described in this clause arising from the loss of any Documents (including but not limited to Documents which are the property of the Insured) which have been destroyed, damaged, lost or mislaid and, after diligent search and attempt to recover, cannot be found.

PROVIDED ALWAYS THAT:

- (a) such loss of Documents was first discovered by the Insured during the Period of Insurance and was notified in writing to Us as soon as reasonably practicable after the date of such discovery (but never beyond the expiry date of the Period of Insurance);
- (b) where the Documents are in electronic format:
 - (i) the Named Insured has ensured the following information technology ("IT") security measures are in place or has undertaken reasonable enquiries to verify whether a third party to whom the Named Insured has entrusted the Documents, has the following IT security measures in place:
 1. procedures in place to back up such Documents at least once a week;
 2. active and up-to-date IT security that, at a minimum, has the ability to:
 - I. identify and remove software viruses and other types of harmful and malicious software ("Viruses");
 - II. automatically scan files, documents, emails, email attachments, folders and other means of storing, transmitting and using digital information, for Viruses;

- III. provide firewall protection; and
- IV. automatically receive updates from the relevant provider of such Virus and firewall protection; and
 - (ii) the Named Insured has done everything that a reasonable person in the Named Insured's position would do to ensure that the abilities listed in (b)(i)(1) and (b)(i)(2) above are enabled and fully utilised on an ongoing basis by either the Named Insured or the third party;
- (c) such indemnity shall be limited to the costs, charges and expenses of whatsoever nature incurred by the Named Insured in replacing and/or restoring such Documents and any claim for such costs, charges and expenses shall be supported by proof of loss or damage to Documents (for example bills and accounts) which shall be subject to approval by an appropriately qualified and experienced professional or advisor to be nominated by Us and agreed to by the Insured;
- (d) We will not be liable for loss or damage caused by or arising directly or indirectly from, in connection with or in respect of any Cyber Act;
- (e) such indemnity shall be limited to the loss of any Documents:
 - (i) which were in the physical custody or control of either the Named Insured or any third party to whom a reasonable person in the Named Insured's professional position would entrust the Documents with the expectation that the Documents would be protected from loss or damage; or
 - (ii) which occurred whilst such Documents were in transit.

3.11 Newly created or acquired Subsidiary

We agree to include in the definition of Insured (Definition 8.10) any Subsidiary created or acquired by the Named Insured during the Period of Insurance for a period of up to thirty (30) days (but never beyond the expiry date of the Period of Insurance) from the date of such creation or acquisition.

PROVIDED ALWAYS THAT:

- (a) this Policy Extension will only apply in respect of Claim(s) against the Subsidiary arising from an act, error or omission occurring subsequent to the date of creation or acquisition of the Subsidiary; and
- (b) the business of such Subsidiary is the same as or substantially similar to the professional activities and duties of the Professional Business (as defined in Definition 8.19 Professional Business).

The Insured may apply to Us, within such thirty (30) day period, to vary this Policy to continue the cover provided by this Policy Extension until the expiry date of the Period of Insurance. The Insured shall supply Us with such additional information relating to the new Subsidiary and pay any reasonable additional premium as may be required by Us.

This clause shall not extend cover to any Subsidiary created or acquired by the Named Insured that is domiciled or incorporated in the United States of America or its territories or protectorates.

3.12 Official Investigations and Enquiries – costs and expenses

We agree to pay Investigation Costs and Expenses. PROVIDED ALWAYS THAT:

- (a) We shall be entitled, at Our discretion, to appoint legal representation to represent the Insured in the investigation, examination or enquiry;
- (b) the notice of intended investigation, examination or enquiry is served upon the Insured during the Period of Insurance and is notified to Us during the same Period of Insurance;
- (c) in the event that a claim for payment of Investigation Costs and Expenses is withdrawn or indemnity under this Policy Extension is subsequently withdrawn or denied, We shall cease to advance Investigation Costs and Expenses and the Insured shall refund any Investigation Costs and Expenses advanced by Us to the extent that the Insured was not entitled to such Investigation Costs and Expenses, unless We agree in writing to waive recovery of such Investigation Costs and Expenses; and
- (d) Our total liability in respect of Investigation Costs and Expenses for all claims made under this Policy Extension shall not exceed \$250,000.

For the purpose of this Policy Extension, an official investigation, examination or enquiry includes but is not limited to:

- (i) any investigation, examination or enquiry by way of a Royal Commission or Coronial Enquiry, or conducted by a regulatory authority such as the Australian Securities and Investments Commission.
- (ii) any investigation, examination or enquiry conducted by any disciplinary committee of any association, industry or professional body of which the Insured is a member.

We will not provide indemnity in respect of any industry-wide investigation, routine supervision, inspection, compliance or similar reviews of an Insured conducted by any regulatory, self-regulatory, professional, statutory or official body or institution.

This Policy Extension does not apply to an investigation, examination or enquiry arising from or in respect of a Privacy Breach for which the Insured has an obligation under the Privacy Act 1988 (Cth) (including any amendment, consolidation, re-enactment, replacement or successor of such legislation) to notify the Office of the Australian Information Commissioner (OAIC) (or other responsible agency or person as set out in the Privacy

Act 1988 (Cth) or any amendment, consolidation, re-enactment, replacement or successor of such legislation) and affected individuals to whom the information relates.

3.13 Public Relations Expenses

Where the Insured retains the services of a public relations consultant for the sole purpose of protecting the Insured's reputation that has been brought into question as a direct result of a Claim covered by this Policy, We agree to pay any reasonable fees, costs and expenses of such public relations consultant. PROVIDED ALWAYS THAT:

- (a) the Insured notifies Us within twenty-eight (28) days of first becoming aware of the Insured's reputation being brought into question, and provide full written details outlining the circumstances surrounding the event, and
- (b) We have given prior written consent (which consent shall not unreasonably be withheld) to retain the services of such public relations consultant; and
- (c) Our total aggregate liability during any one Period of Insurance for all public relations expenses shall not exceed \$50,000.

3.14 Run off cover until expiry of the Period of Cover

We agree that in the event that an Insured entity ceased or ceases to exist or operate or be a Subsidiary or became or becomes consolidated with, merged into or acquired by any other entity either before or during the Period of Insurance then the coverage provided under this Policy with respect to such Insured entity shall continue until the expiry date of the Period of Insurance.

PROVIDED ALWAYS THAT such coverage shall only apply in respect of Claim(s) arising from any act, error or omission occurring prior to the effective date that such Insured entity ceased to exist or operate or was consolidated with, merged into or acquired by another entity.

3.15 Severability

We agree that where any Insured:

- (a) failed to comply with the duty of disclosure contained in the Insurance Contracts Act 1984 (Commonwealth); or
- (b) made a misrepresentation to Us before this contract of insurance was entered into; or
- (c) fails to comply with any conditions of this Policy,

the right of any other Insured to indemnify under this Policy shall not be prejudiced thereby. PROVIDED ALWAYS THAT this Policy Extension shall only apply when:

- (i) such other Insured shall be entirely innocent of and has no prior knowledge of any such conduct; and
- (ii) such other Insured shall, as soon as is reasonably practicable upon becoming aware of any such conduct, advise Us in writing of all known facts in relation to such conduct.

NOTWITHSTANDING the above, any fact or knowledge possessed by any past or present partner, principal, director, chairman, chief executive officer, chief operating officer, chief financial officer, company secretary, chief legal officer or the holder of any similar or equivalent positions shall be imputed to the Named Insured.

3.16 Previous Business

We agree to indemnify any principal, partner or director of the Insured for Claims resulting from professional services they performed prior to joining the Insured.

This extension will only apply if:

- (a) the professional services were performed in the same profession as the Professional Business of the Insured; and
- (b) there were no more than 10 partners or directors in the past business in which the principal, partner or director practiced; and
- (c) the principal, partner or director of the Insured does not have the benefit of cover under any other insurance or indemnity.

Notwithstanding Clauses 2.1 and 2.2, the retroactive date for this Extension is limited to the commencement date of the past business in which the principal, partner or director practiced.

3.17 Emergency Costs and Expenses

We agree to pay Costs and Expenses incurred by the Insured prior to obtaining Our consent, provided Our consent is obtained within 30 days of the first of such Costs and Expenses being incurred, and provided that for the purposes of this Extension only:

- (a) We are only liable to indemnify the Insured for that part of the Insured's liability in respect of each Claim and Costs and Expenses in excess of the Deductible, and
- (b) If We subsequently refuse to pay under the Policy, the Insured must reimburse Us for any Costs and Expenses that We have paid in advance, according to their respective rights and interests.

The sub limit of liability for all such payments under this Extension is \$100,000. This sub limit forms part of, and is not payable in addition to, the Indemnity Limit.

3.18 Loss Mitigation

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

No payment will be made to the Insured in relation to a cyber ransom or extortion payment, meaning payment demanded by a third party who has committed, or has threatened to commit, an unauthorised, malicious or criminal act in respect of Computer Systems or Data that would result in, or is intended to result in, harm or loss being suffered by the Insured or any other party.

The sub-limit of liability for all such payments under this extension is \$100,000 in respect of any one matter and \$200,000 in the aggregate for all such matters.

Section 4 – Optional Extensions

Preamble

It is agreed that:

- (a) the indemnity provided by each Optional Extension is subject to the Schedule, Insuring Clauses, Conditions, Definitions, Exclusions, Deductible and other terms of this Policy (unless otherwise expressly stated herein);
- (b) the inclusion of any Optional Extension shall not increase the Indemnity Limit or the Maximum Aggregate Limit;
- (c) the inclusion of any Optional Extension shall be at Our absolute discretion; and
- (d) where an Optional Extension is not specified as included in the Schedule then this Policy shall not provide any indemnity in relation to coverage specified under such Optional Extension.

4.1 Fidelity

Notwithstanding Exclusion 5.6 (Fraud, Dishonesty or Intentional Acts) We agree to provide indemnity to the Insured against loss of money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes belonging to the Insured or for which the Insured is legally liable where any such loss is sustained in consequence of any dishonest or fraudulent act or omission of any Insured. PROVIDED ALWAYS THAT:

- (a) such loss is first discovered by the Insured during the Period of Insurance and is notified in writing to Us as soon as reasonably practicable after the date of such discovery (but never beyond the expiry date of the Period of Insurance);
- (b) We shall not be liable for any loss sustained in consequence of any act or omission occurring after the date of the discovery of, or the reasonable cause for suspicion of, dishonest or fraudulent conduct on the part of the Insured concerned;
- (c) We shall not be liable to indemnify any Insured who committed or condoned any dishonest or fraudulent conduct in consequence of which the loss occurred;
- (d) the Insured shall bear the burden of adducing satisfactory proof to substantiate any loss hereunder (including any legal, investigative, accounting or other costs incurred in such process) and We will be under no obligation to provide indemnity to the Insured until such time as We are satisfied that such loss has, in fact, been sustained;
- (e) all interrelated individual dishonest or fraudulent acts or omissions shall be deemed to constitute a single loss and a single Deductible shall apply to such loss; and
- (f) Our liability for each loss under this Optional Extension and Our aggregate liability for all losses under this Optional Extension shall not exceed \$250,000.

4.2 Multi-year run-off after merger, takeover, sale, winding up of Named Insured

If the Named Insured is subject to a merger, takeover, sale or winding up, then, We agree to extend the Period of Insurance up to seven (7) years immediately following the expiry of the Period of Insurance.

PROVIDED ALWAYS THAT:

- (a) this Policy Extension will only apply with respect to any Claim(s) arising from any act, error or omission occurring prior to the effective date of such merger, takeover, sale or winding up, and
- (b) on such terms and Conditions, and for such additional premium as We may reasonably require.

Section 5 – Exclusions

We shall not be liable under this Policy to provide indemnity in respect of any:

5.1 Aircraft, motor vehicles and watercraft

Claim based upon, attributable to, or in consequence of the ownership, lease, operation or use of any aircraft, motor vehicle or watercraft by an Insured.

5.2 Contractual Liability

Claim based upon, attributable to, or in consequence of any duty or obligation assumed by an Insured by way

of any contractual undertaking, warranty, guarantee or indemnity, to the extent that such liability exceeds the liability the Insured would have incurred in the absence of such contractual undertaking, warranty, guarantee or indemnity.

5.3 Asbestos

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

5.4 Directors and Officers Liability or Trustees Liability

Claim based upon, attributable to, or in consequence of any activities as a trustee, director, secretary or officer unless that liability would have arisen if the Insured had not held that position as a trustee, director, secretary or officer.

5.5 Fines and Penalties

Claim for punitive, aggravated, multiple or exemplary damages, or fines or penalties imposed by law.

5.6 Fraud, Dishonesty or Intentional Acts

Claim based upon, attributable to, or in consequence of:

- (a) any dishonest, fraudulent, criminal, or malicious act or omission of an Insured or their consultants, sub-contractors or agents; or
- (b) any act or omission of an Insured or their consultants, sub-contractors, or agents with the intention of causing a third party loss, damage or injury or committed with a reckless disregard for the consequences thereof; or
- (c) any wilful breach of any statute, contract or duty by an Insured or their consultants, sub-contractors or agents.

PROVIDED ALWAYS THAT this exclusion shall not apply unless and until:

- (i) the Insured makes an admission in writing of any conduct described in clauses (a), (b) and/or (c) above; or
- (ii) it has been established through a judicial process that the Insured has committed any conduct described in clauses (a), (b) and/or (c) above.

5.7 Jurisdictional Limits

- (a) Claim brought in a court of law within the territorial limits of the United States of America or the Dominion of Canada or their territories or protectorates; or
- (b) Claim or liability arising out of the enforcement of any judgment, order or award obtained within, or determined pursuant to, the laws of the United States of America or the Dominion of Canada or their territories or protectorates.

5.8 Radioactivity and Nuclear Hazards

Claim or liability arising from or directly or indirectly attributable to or in connection with any:

- (a) loss or destruction of or damage to any property whatsoever, or any resultant loss or expenses whatsoever; or
- (b) consequential loss; or
- (c) legal liability of whatsoever nature,

directly or indirectly caused by or contributed to by or arising from:

- (i) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- (ii) the radioactive, toxic, explosive or other hazardous properties or any explosive nuclear assembly or nuclear component thereof.

5.9 Obligations to Workers

Claim based upon, attributable to, or in consequence of:

- (a) Bodily Injury of any Worker of an Insured or damage to or destruction of any property of any Worker of an Insured, including loss of use of property, arising out of, or in the course of, their employment.
- (b) any actual or alleged Employment Practice Breach (as defined in Definition 8.7).

For the purposes of Exclusions 5.9(a) and 5.9(b) only, the term "Worker" means any person employed by, or who is deemed to be employed by, the Insured pursuant to any Workers' Compensation Law.

5.10 Occupier's liability

Claim based upon, attributable to, or in consequence of any liability incurred or alleged to have been incurred as a result of occupation, control, management or ownership of any real property by an Insured.

5.11 Pollution

Claim arising from or directly or indirectly attributable to or in consequence of the actual or alleged release or discharge of Pollutants into or upon land, the atmosphere or any water course or body of water. 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 Business.

5.12 Known Claims and Known Circumstances

- (a) known Claims (or losses or claims) as at the inception date of this Policy, or
- (b) Claims (or losses or claims) arising from any Known Circumstance(s); or
- (c) Claims (or losses or claims) disclosed in the Proposal form.

5.13 Product Liability

Claim based upon, attributable to, or in consequence of the manufacture, preparation, modification, repair, supply, maintenance or treatment of any goods or products sold, supplied or distributed by the Insured, except where such Claim arises solely and directly from any advice, design or specification prepared by the Insured in the conduct of the professional activities and duties of the Professional Business.

5.14 Related or associated entities

Claim brought or maintained by or on behalf of an Insured or any Subsidiary or parent of an Insured.

5.15 Territorial limits

Claim based upon, attributable to, or in consequence of an act, error or omission occurring within the territorial limits of the United States of America or the Dominion of Canada or their territories or protectorates.

5.16 War/Terrorism

Claim or liability of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following, regardless of any cause or event contributing concurrently or in any other sequence:

- (a) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (b) Any act of terrorism; or
- (c) Any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

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

5.17 Trading debts

Claim directly or indirectly based upon, attributable to, or in consequence of:

- (a) any trading debt incurred by an Insured or any guarantee given by an Insured for a debt; or
- (b) the refund of the Insured's professional fees or charges (by way of damages or otherwise).

5.18 Restrictive Trade Practices

Claim directly or indirectly based upon, attributable to, or in consequence of any actual or alleged restrictive trade practices, restraint of trade or unfair competition.

5.19 Sanctions

Claim or liability that would be in contravention of any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

Section 6 – Claims Conditions

6.1 Claims mitigation and co-operation

- (a) If the Insured, either prior to or during the Period of Insurance becomes aware of a situation which could, if not rectified, lead to a Claim or increase the quantum of a Claim, the Insured shall use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any liability hereunder. Costs and expenses incurred by the Insured in compliance with this clause 6.1(a) shall be at the Insured's cost, unless otherwise agreed in writing by Us.
- (b) The Insured shall frankly and honestly disclose to Us all relevant information and, in addition shall provide assistance to Us, as We may require to enable Us to investigate and to defend any Claim under this Policy and/or to enable Us to determine Our liability under this Policy. Costs and expenses incurred by the Insured in compliance with this clause 6.1(b) shall be paid by Us in accordance with Policy Extension 3.1 - Claims Preparation Costs. Costs and expenses in excess of the cover provided by Policy Extension 3.1 - Claims Preparation Costs shall be borne by the Insured.
- (c) Costs and expenses incurred by Us to enable Us to determine Our liability under this Policy shall be at Our own cost.

6.2 Defence and settlement

- (a) The Insured shall not settle any Claim, incur any Costs and Expenses or Investigation Costs and Expenses, make any admission, offer or payment or otherwise assume any contractual obligation with respect to any Claim or loss without Our written consent, such consent not to be unreasonably withheld. We shall not be

liable for any settlement, Costs and Expenses, Investigation Costs and Expenses, admission, offer or payment, or assumed obligation to which We have not consented in writing.

- (b) We shall be entitled if We so desire, to take over and conduct, in the name of the Insured, the defence or settlement of any Claim at any time. In the event that this occurs, We will then have sole control of the Claim.
- (c) If We retain lawyers to conduct, in the name of the Insured, the investigation, defence or settlement of any Claim, those lawyers will only act on behalf of Us in relation to any issue regarding the Insured's entitlement to indemnity from Us and they will not act on the Insured's behalf in respect of any such issue. Any information that is received by lawyers retained by Us in the course of investigating, defending or settling any Claim against the Insured can be provided to Us and relied upon by Us in relation to any issue that may arise regarding Our liability to indemnify the Insured. 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).

All confidential information provided to Us (including information which is subject to legal professional privilege), and/or to the legal advisers We appoint, by or on behalf of the Insured, which the Insured hereby irrevocably consents to appointed legal advisers providing to Us, is so provided on the basis that:

- (i) Subject to (iii) below, the information is provided to Us for that Common Interest purpose, is to be kept confidential and will not be further disclosed without the written consent of the Insured; and
 - (ii) In respect of confidential information which is subject to legal professional privilege, the Insured does not waive legal professional privilege; and
 - (iii) The information may be disclosed by Us to Our legal advisers and reinsurers on the basis that the above conditions apply to those persons' use of such information.
- (d) The lawyers retained by Us to conduct the investigation, defence or settlement of any Claim, may provide advice to Us on any issue regarding Our liability to indemnify the Insured and, whilst doing so, may continue to act in the investigation, defence or settlement of the Claim on behalf of both Us and the Insured.
 - (e) The Insured agrees that all communications between Us and lawyers retained by Us to act in the conduct of the investigation, defence or settlement of any Claim which relate to the Insured's entitlement to indemnity from Us are privileged as between Us and the lawyers and the Insured agrees that it is not entitled, under any circumstances, to access or obtain any such communications.
 - (f) If any actual or apparent conflict arises between Our interests and the Insured's interests, the lawyers retained by Us to conduct the investigation, defence or settlement of any Claim may cease acting on behalf of the Insured and may continue to act on behalf of Us in relation to any dispute between Us and the Insured with respect to the Insured's entitlement to indemnity from Us.

6.3 Insured's right to contest

In the event that We recommend a settlement in respect of any Claim and the Insured does not agree that such Claim should be settled, then the Insured may elect to contest such Claim. PROVIDED ALWAYS THAT Our liability in connection with such Claim shall not exceed the amount for which the Claim could have been so settled plus the Costs and Expenses incurred with Our written consent up to the date of such election, less the Deductible.

6.4 Reporting and notice

- (a) The Insured shall give to Us written notice as soon as practicable of any Claim made against an Insured PROVIDED ALWAYS THAT such written notice is given to Us during the Period of Insurance in which the Claim is made.
- (b) Notice of any Claim shall be sent to the address next to 'Claims notification' specified in the Schedule.

6.5 Senior Counsel clause

- (a) We shall not require the Insured to contest any Claim unless a Senior Counsel (to be mutually agreed upon by the Insured and Us) shall advise that such Claim should be contested.
- (b) In formulating such advice, Senior Counsel shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely Costs and Expenses and the prospects of the Insured successfully defending the Claim.
- (c) The cost of such Senior Counsel's opinion shall be paid by Us in addition to the Indemnity Limit.

6.6 Subrogation and Allocation of the Proceeds of Recoveries

In respect of any Claim covered by this Policy, and without limiting Our rights at law, We shall be subrogated to all the Insured's rights of recovery, and the Insured shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of documents necessary to enable Us effectively to bring suit in the name of the Insured.

The Insured shall not, without first obtaining Our written consent, do anything or fail to do anything which excludes, limits or prejudices Our rights of subrogation. In particular, without limiting the operation of this provision, the Insured shall not enter into any contract or agreement which excludes, limits or prejudices a right of recovery which the Insured may have in respect of any Claim covered by this Policy.

Should the Insured incur any legal liability which is not covered by this insurance:

- (a) due to the application of any Deductible, and/or

- (b) where the amount(s) of any judgment(s) or settlement(s) exceed(s) the Indemnity Limit or any applicable sub-limit;

the Insured will be entitled to the first call on the proceeds of all recoveries made, by either the Insured or Us, on account of such legal liability until fully reimbursed for such uninsured amount or amounts (less the actual costs of making such recoveries where those costs are incurred by Us) and any remaining amount(s) will be applied to Our reimbursement.

6.7 Allocation

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.

This allocation will apply to Costs and Expenses.

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

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

The costs of Senior Counsel's opinion will form part of the Claim Investigation Costs.
For the purposes of this Condition:

- (a) Covered Claim means that part of a Claim for which We provide cover;
(a) Uncovered Claim means that part of a claim for which We do not provide cover.

6.8 Foreign Currency

All amounts referred to in this Policy are in Australian Dollars.

If the Insured incurs liability to settle any Claim for an amount stated in the local currency of any country or territory outside the Commonwealth of Australia, where an award is made or a settlement is agreed upon, then, the amount payable by Us shall be the value of such award or settlement together with costs awarded or payable to any claimant converted to Australian Dollars at the free rate of exchange published in the Australian Financial Review on the date on which We pay to the Insured (or some other person at the Insured's direction) the indemnity in respect of such award or settlement; subject always to the Indemnity Limit.

Section 7 – General Conditions

7.1 Alteration to risk

The Insured shall give to Us written notice as soon as practicable of any material alteration to the risk during the Period of Insurance including but not limited to:

- (a) an Insured going into voluntary bankruptcy, receivership, liquidation or any other form of external administration or an Insured failing to pay debts or breaching any other obligation giving rise to the appointment of a receiver or bankruptcy or winding-up proceedings;
(b) any material change in the nature of the professional services offered by an Insured.

Where such notice is given and/or where there is any material alteration to the risk We shall be entitled to cancel this Policy in accordance with the Insurance Contracts Act 1984 (Commonwealth). Provided always that in the event that the Insured should become bankrupt or insolvent, We shall not be relieved thereby of the payment of any Claim hereunder because of such bankruptcy or insolvency.

7.2 Assignment of interest

No change in, or modification of, or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy and signed by an authorised employee of Us.

7.3 Cancellation

- (a) The Insured may cancel this Policy at any time by notifying Us in writing.
(b) We may cancel this Policy in accordance with the relevant provisions of the Insurance Contracts Act 1984 (Commonwealth).
(c) In the event of cancellation by the Insured or by Us, We will allow a pro-rata refund of Premium for the unexpired Period of Insurance unless there has been a notification of facts which may give rise to a Claim, or of any Claim during the Period of Insurance, in which case no refund shall be given.

7.4 Deductible

- (a) In respect of each Claim made against the Insured (or each loss or claim incurred by the Insured in respect of Policy Extensions 3.1 Claims Preparation Costs, 3.10 Loss of Documents and 3.12 Official Investigations and Enquiries - costs and expenses) the amount of the Deductible shall be borne by the Insured at their own risk and We shall only be liable to indemnify the Insured for that part of any Claim (or any loss or claim) which is in excess of the Deductible.

- (b) In the event of a Claim by the Insured under this Policy, the Insured shall, if directed by Us, pay to Us (or as is directed by Us) the Deductible within fourteen (14) working days. Any delay, failure or refusal by the Insured to pay the Deductible will entitle Us to deduct such amount from any amount(s) required to settle any Claim or judgment, order, or any other payment to be made by Us under this Policy. In the event that a failure or refusal to grant access to monies for any Deductible results in a failure of a settlement or an increase in Costs and Expenses, Our liability in connection with such Claim shall not exceed the amount for which the Claim could have been so settled plus the Costs and Expenses incurred with Our written consent up to the date of such failure, less the Deductible.
- (c) Where We have elected to pay all or part of the Deductible in respect of any Claim (or any loss or claim), the Insured shall, within fourteen (14) working days from the date of such payment, reimburse Us for such payment.
- (d) In respect of any Claim (or any loss or claim) where the amount of the Claim (or any loss or claim) is less than the amount of the Deductible, the Insured shall bear all Costs and Expenses associated therewith unless We shall have agreed to meet such Costs and Expenses pursuant to Insuring Clause B.
- (e) Where the Deductible is expressed in the Schedule to be inclusive of Costs and Expenses then the Insured will pay all Costs and Expenses, up to the amount of the Deductible, incurred by Us pursuant to the engagement of advisers considered necessary by Us to determine the liability of the Insured and to resolve the Claim (or loss or claim).
- (f) Any Costs and Expenses incurred by Us to determine whether We have a liability to indemnify the Insured under this Policy shall not be subject to the Deductible but shall be borne by Us.

7.5 Indemnity Limit

Subject to Insuring Clause B (clause 1.2 - Costs and Expenses Insuring Clause) and 3.1 (Additional benefit - Claims preparation costs), Our total liability under the Policy:

- (a) for any one Claim including Costs and Expenses shall not exceed the Indemnity Limit; and
- (a) for all Claims including Costs and Expenses shall not exceed in the aggregate the Maximum Aggregate Limit.

7.6 Multiple claims

- (a) All causally connected or interrelated acts, errors or omissions shall jointly constitute a single act, error or omission under this Policy.
- (b) Where a single act, error, or omission gives rise to more than one Claim, all such Claim(s) shall jointly constitute one Claim under this Policy.

7.7 Policy construction and interpretation

- (a) The construction, interpretation and meaning of the provisions of this Policy shall be determined in accordance with the laws of Australia and the States and Territories thereof. Each party agrees to submit to the jurisdiction of any Court of competent jurisdiction in a State or Territory of Australia and to comply with all requirements necessary to give such Court jurisdiction. All disputes arising under this Policy shall be determined in accordance with the law and practice of such Court.
- (b) The marginal notes and titles of paragraphs in this Policy are included for descriptive purposes only and do not form part of this Policy for the purpose of its construction or interpretation.
- (c) Under this Policy, the masculine includes the feminine and the singular includes the plural and vice versa and reference to a person includes a body corporate, an authority, an association or a Joint Venture (whether incorporated or unincorporated), a partnership and a trust.

7.8 Complaints Procedures

Any enquiry or complaint relating to this Insurance should be referred to Us in the first instance. If this does not resolve the matter or you are not satisfied with the way a complaint has been dealt with, you should contact:

Telephone: 1800 689 762

Mail: Reply Paid 1453 Customer Relations Unit RE058,
GPO Box 1453 Brisbane QLD 4001 or

Email: customer.relations@suncorp.com.au

For the purpose of this Clause only, "this Insurance" means the Policy, "you/your" means the Insured.

7.9 Service Of Suit (Australia)

The Underwriters hereon agree that in the event of a dispute arising under this Policy, Underwriters at the request of the Insured (or reinsured) will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.

7.10 General Insurance Code of Practice

This Policy is Insurance Council of Australia's General Insurance Code of Practice compliant. 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.

A copy of this Code is available by contacting 02 9253 5100 or 1300 728 228 or from the Insurance Council of Australia's Website at www.ica.com.au or from the Code's dedicated Website at www.codeofpractice.com.au

Section 8 – Definitions

8.1 Bodily Injury

“Bodily Injury” shall mean physical injury, sickness, disease, death, mental injury, mental anguish, nervous shock or emotional distress of any person.

8.2 Claim

“Claim” shall mean:

- (a) The receipt by the Insured of any written or oral demand for compensation made by a third party against the Insured.
- (b) Any writ, statement of claim, summons, application or other originating legal or arbitral process, cross-claim, counterclaim or third or similar party notice served upon the Insured which seeks compensatory relief made by a third party against the Insured.
- (c) for the purpose of Policy Extension 3.10 (Loss of Documents) only, any losses described in that clause arising from loss of any Documents.
- (d) for the purpose of Policy Extension 3.12 (Official Investigations and Enquiries - costs and expenses) only, any attendance by the Insured at an investigation, examination or enquiry.

8.3 Computer System

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

8.4 Costs and Expenses

“Costs and Expenses” shall mean the reasonable legal costs and other expenses (including but not limited to legal counsels’ fees and experts’ fees) incurred by or on behalf of the Insured with Our prior consent (which shall not be unreasonably withheld) or by Us in the investigation, defence or settlement of a Claim, or in bringing or defending appeals in connection with a Claim.

8.5 Cyber Act

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

8.6 Data

“Data” means information, facts, concepts, code or any other information of any kind that is converted, recorded or transmitted in a form to be accessed, communicated, displayed, distributed, interpreted, processed, transmitted or stored or used in or by a Computer System.

8.7 Deductible

“Deductible” shall mean the amount shown as the Deductible in the Schedule.

8.8 Documents

“Documents” shall mean deeds, wills, agreements, maps, plans, books, letters, policies, certificates, forms and documents of any nature whatsoever, whether written, printed or reproduced by any method including computer records and electronic data material but shall not include bearer bonds or coupons, stamps, bank or currency notes or any other negotiable instrument.

8.9 Employee

“Employee” shall mean any person employed under a contract of service or apprenticeship.

8.10 Employment Practice Breach

“Employment Practice Breach” shall mean any employment practices liability, including but not limited to:

- (a) employment related discrimination against any Worker or applicant for employment whether because of race, colour, age, sex, disability, pregnancy, marital status, sexual orientation, sexual preference or otherwise,
- (b) wrongful dismissal of any Worker;
- (c) workplace harassment whether sexual or otherwise, including bullying, of any Worker;
- (d) breach of any oral or written employment contract;
- (e) wrongful demotion, failure to promote, wrongful deprivation of career opportunity, wrongful discipline, negligent evaluation or failure to grant tenure of employment to any Worker;
- (f) failure to provide or adhere to adequate employment policies or procedures;
- (g) defamation arising from employment related matters;
- (h) employment related invasion of privacy;

- (i) false or misleading advertising or representation involving terms and conditions of employment;
- (j) violation of any Federal, State or local statute or regulation governing employment practices; and/or
- (k) denial of natural justice to any Worker concerning employment.

For the purpose of this Definition, the term "Worker" means any person employed by, or is deemed to be employed by, the Insured pursuant to any Workers' Compensation Law.

8.11 Indemnity Limit

"Indemnity Limit" shall mean the limit of Our liability under this Policy as specified in the Schedule and in any certificate of insurance issued by the insurer and is exclusive of GST to the extent the Insured is entitled to claim an input tax credit.

8.12 Period of Insurance

"Period of Insurance" shall mean the period specified in the Schedule.

8.13 Insured

"Insured" shall mean:

- (a) the Named Insured;
- (b) any predecessor in business of the Named Insured;
- (c) any person who is, during the Period of Insurance, a principal, partner or director of the Named Insured but only in respect of work performed while a principal, partner or director of the Named Insured;
- (d) any person who is, during the Period of Insurance, an Employee of the Named Insured but only in respect of work performed while an Employee of the Named Insured; or
- (e) any former principal, partner, director or Employee of the Named Insured, but only in respect of work performed while such person was a principal, partner, director or Employee of the Named Insured.
- (f) any consultant, sub-contractor or agent but only to the extent that they are indemnified under Policy Extension 3.2

8.14 Investigation Costs and Expenses

"Investigation Costs and Expenses" shall mean reasonable legal costs and other expenses incurred by or on behalf of the Insured with Our prior written consent (such consent not to be unreasonably withheld) or by Us arising out of any attendance by an Insured at or any response by an Insured to any official investigation, examination or enquiry that relates to the Insured's conduct of the professional activities and duties of the Professional Business.

"Investigation Costs and Expenses" does not include any fine, penalty or order for the payment of monetary compensation.

8.15 Joint Venture

"Joint Venture" shall mean the entering into of a venture (by whatever name called) which the Named Insured carries on together with any other person, company, corporation, partnership or other entity not otherwise deemed to be an Insured under this Policy.

8.16 Known Circumstance

"Known Circumstance" shall mean any fact, situation or circumstance which:

- (a) an Insured knew 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 this Policy began or before any relevant amendment or endorsement of the Policy;

might result in someone making a Claim against the Insured that might be covered by this Policy.

For the purposes of this Definition 8.13, 'Insured' does not include 'Employee' (as defined in Definition 8.6 Employee) or any consultant, sub-contractor or agent (as referred to in sub clause (f) of Definition 8.10 Insured).

8.17 Maximum Aggregate Limit

"Maximum Aggregate Limit" means the amount specified against "Maximum Aggregate Limit" as shown in the Schedule.

8.18 Named Insured

"Named Insured" shall mean the person, persons, partnership, company, corporation or other entity specified as the Named Insured in the Schedule.

8.19 Policy

"Policy" shall mean:

- (a) the Schedule, Insuring Clauses, Extensions, Conditions, Definitions, Exclusions and other terms contained herein;

(b) any endorsement attaching to and forming part of this Policy either at inception or during the Period of Insurance; and

(c) the Proposal.

8.20 Pollutants

"Pollutants" means any contaminant whether solid, liquid or gas including but not limited to chemicals, smoke, vapours, fumes, soot, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

8.21 Premium

"Premium" shall mean the premium specified in the Schedule or in any endorsement to the Schedule.

8.22 Privacy Breach

"Privacy Breach" means an incident involving the unauthorised disclosure, loss, modification, misuse, interference or access of:

- (a) personal information, as defined in the Privacy Act 1988 (Cth) including any amendment, consolidation, re-enactment, replacement or successor of such legislation; or
- (b) third party corporate information that is identified as confidential.

8.23 Professional Business

"Professional Business" shall mean the business which is conducted by the Named Insured as specified in the Schedule.

If the Named Insured should change its name and there is no other change which materially alters the risk, the Professional Business will continue to be covered by this Policy.

8.24 Proposal

"Proposal" shall mean the written proposal made by the Insured to Us containing particulars and statements which, together with other information provided by the Insured, are considered as incorporated herein.

8.25 Schedule

"Schedule" shall mean the schedule to this Policy.

8.26 Senior Counsel

"Senior Counsel" shall mean a barrister in active practice who is entitled to use the post-nominals QC or SC in any one or more superior court in the Commonwealth of Australia or the Dominion of New Zealand.

8.27 Subsidiary

"Subsidiary" shall mean:

- (a) any entity which by virtue of any applicable legislation or law is deemed to be a subsidiary of the Named Insured specified in the Schedule; or
- (b) any entity over which a Named Insured is in a position to exercise effective direction or control.

8.28 Taxable Percentage

"Taxable Percentage" is the Insured's entitlement to an Input Tax Credit on the Premium as a percentage of the total GST on that premium.

8.29 We or Our or Us

"We or Us or Our or Insurers" shall mean AAI Limited ABN 48 005 297 807 trading as Vero Insurance.

End of Policy wording