Management Liability Insurance Policy
Professional and financial risk solutions
Management Liability Insurance Policy

Policy wording 1
1. Insuring clauses 1
   Insuring Clause 1: Directors and officers liability 1
   Insuring Clause 2: Company reimbursement 1
   Insuring Clause 3: Company liability 1
   Insuring Clause 4: Employment practice liability 1
   Insuring Clause 5: Trustee liability 1
   Insuring Clause 6: Fidelity 1
   Insuring Clause 7: Business crisis consultant fees 1
   Insuring Clause 8: Legal consultation 1

2. Extensions 1
   2.1 Acquisition or creation of new subsidiaries 1
   2.2 Advancement of defence costs and representation expenses 2
   2.3 Continuity 2
   2.4 Extended reporting period 2
   2.5 Extended reporting period for retiring directors and officers 3
   2.6 Fraud investigator expenses 3
   2.7 Legal representatives 3
   2.8 Occupational health and safety expenses 3
   2.9 Outside directorships 3
   2.10 Pecuniary penalties 4
   2.11 Pollution expenses 4
   2.12 Representation expenses 4
   2.13 Special excess limit for non-executive directors 4
   2.14 Spouses 5

3. Optional extension 5
   3.1 Company pecuniary penalties 5

4. Exclusions 5
   4.1 Asbestos 5
   4.2 Benefits 5
   4.3 Bodily injury and property damage 5
   4.4 Capital raising 5
   4.5 Dishonest or criminal intent / improper conduct 6
   4.6 Industrial relations 6
   4.7 Insured v insured 6
   4.8 Known claims and circumstances 6
   4.9 Major shareholder 6
   4.10 Nuclear 6
   4.11 Occupational health and safety law 6
   4.12 Pollution 6
   4.13 Professional services 6
   4.14 War and terrorism 7
5. Additional exclusions applicable to insuring clause 3: company liability

5.1 Contractual liability
5.2 Intellectual property rights
5.3 Privacy rights
5.4 Product liability and product recall
5.5 Restrictive trade practices
5.6 Superannuation funds

6. Additional exclusions applicable to insuring clause 4: employment practice liability

6.1 Employee entitlements
6.2 Injunctive relief or accommodation
6.3 Liability of others
6.4 Specified period employment contract
6.5 Unfair employment contract

7. Additional exclusions applicable to insuring clause 6: fidelity

7.1 Confidential information
7.2 Damage to premises
7.3 Discovery outside the policy period
7.4 Dishonesty or fraud of director or employee shareholder
7.5 Indirect or consequential loss
7.6 Loss of records
7.7 Loss sustained after discovery
7.8 Profit and loss computation and inventory comparison
7.9 Retroactive date
7.10 Territory
7.11 Trading loss

8. Limit of liability and excess

8.1 Limit of liability
8.2 Excess
8.3 Related claims
8.4 Related fidelity loss

9. Claims conditions

10. General terms

11. Definitions

Notices
Policy wording

Please read this Policy carefully to ensure that it meets your requirements.

In consideration of payment of the premium the Insured and the Insurer agree that the Insurer will provide insurance on the terms of this Policy.

1. Insuring clauses

Insuring Clause 1: Directors and officers liability

The Insurer will pay, on behalf of the Insured Persons, Loss resulting from Claims first made against the Insured Persons and notified to the Insurer during the Policy Period based on Management Wrongful Acts for which the Company has not agreed to provide indemnity.

Insuring Clause 2: Company reimbursement

The Insurer will pay, on behalf of the Company, Loss resulting from Claims first made against the Insured Persons and notified to the Insurer during the Policy Period based on Management Wrongful Acts if, and to the extent that, the Company has agreed to provide indemnity to the Insured Persons for such Loss.

Insuring Clause 3: Company liability

The Insurer will pay on behalf of the Company, Loss resulting from Claims first made against the Company and notified to the Insurer during the Policy Period based on Management Wrongful Acts.

Insuring Clause 4: Employment practice liability

The Insurer will pay, on behalf of the Insured, Loss resulting from Claims first made against the Insured and notified to the Insurer during the Policy Period, where such Loss is in respect of or arising out of an Employment Wrongful Act.

Insuring Clause 5: Trustee liability

The Insurer will pay, on behalf of the Trustee, Loss resulting from Claims first made against the Trustee and notified to the Insurer during the Policy Period, based on Trustee Wrongful Acts in connection with the Superannuation Fund.

Insuring Clause 6: Fidelity

The Insurer will pay the Company for Policy Claims for Fidelity Loss first Discovered and notified to the Insurer during the Policy Period.

The total liability of the Insurer under this Insuring Clause will not exceed in the aggregate, the Fidelity Sub-limit specified in the Policy Schedule.

Insuring Clause 7: Business crisis consultant fees

The Insurer will pay on behalf of the Company, Business Crisis Consultant Fees incurred by the Company in responding to a Business Crisis Event that first occurs during the Policy Period.

The total liability of the Insurer under this Insuring Clause will not exceed in the aggregate, the Business Crisis Consultant Fees Sub-limit specified in the Policy Schedule.

Insuring Clause 8: Legal consultation

The Insured is entitled to up to two hours legal advice from the legal firm specified in the Policy Schedule on any matter related to the risks insured under this Policy, except in relation to the scope of cover provided under this Policy, or claims disputes or complaints against the Insurer, provided that:

(a) the legal advice is sought during the Policy Period; and

(b) the Insured must provide the legal adviser with details of the policy number, Policy Period and name of the Policyholder; and

(c) the legal advice is limited to 30 minutes in relation to any particular matter.

The cost of the legal advice is to be paid by the Insurer and not the Insured.

2. Extensions

The total of all payments made under these Extensions will be part of and not in addition to the Limit of Liability, unless otherwise stated. These Extensions only extend the stated Insuring Clauses.

2.1 Acquisition or creation of new subsidiaries

Insuring Clauses 1, 2, 3, 4, 5 and 6 are extended as follows:

If, during the Policy Period, the Company acquires or creates a new Subsidiary that has total assets (by reference to the new Subsidiary’s most recent financial statements as at the time of acquisition or creation) that are no greater than the total assets of the Company (by reference to the Company’s most recent financial statements as at the time of acquisition or creation), then the definition of Company will be extended to include the new Subsidiary, but cover only applies in respect of Wrongful Acts or any dishonest or fraudulent act committed or alleged to have been committed subsequent to the acquisition or creation of such Subsidiary.
The definition of Company will not be extended to include any new Subsidiary acquired or created by the Company that:

(a) has any of its Securities listed on any exchange in North America; or

(b) is domiciled or incorporated in North America.

2.2 Advancement of defence costs and representation expenses

Insuring Clauses 1, 2, 3, 4 and 5 and the Representation Expenses Extension are extended as follows:

The Insurer will advance Defence Costs and, under the Representation Expenses Extension, Occupational Health and Safety Expenses Extension and Pollution Expenses Extension, Representation Expenses. However, if and to the extent that the Insured is not entitled to cover for Loss under the terms of this Policy, then the Insurer will cease to advance Defence Costs and Representation Expenses and any amounts previously advanced shall be repaid to the Insurer by the Insured within thirty days following a request by the Insurer for such repayment.

If a Claim alleges a Wrongful Act or illegal or improper conduct as described in the Dishonest or Criminal Intent / Improper Conduct Exclusion, then the Insurer will advance Defence Costs and Representation Expenses in respect of such Claim until it is found by way of an admission by the Insured, judgment or adjudication that such Insured did in fact commit such Wrongful Act or engage in such illegal or improper conduct and any amounts previously advanced shall be repaid to the Insurer by the Insured within thirty days following a request by the Insurer for such repayment.

2.3 Continuity

Insuring Clauses 1, 2, 3, 4 and 5 are extended as follows:

In the absence of fraudulent non-disclosure or fraudulent misrepresentation, where a Claim that would otherwise be covered by this Policy is excluded by the Known claims and Circumstances Exclusion, then cover is provided under this Policy, provided that:

(a) the Insured first became aware of the fact, event, circumstance or Wrongful Act that gave rise to the Claim after the Continuity Date specified in the Policy Schedule; and

(b) the Insured was insured against the Wrongful Act by the Insurer at the time when the Insured first became aware of such fact, event, circumstance or Wrongful Act and has since been insured continuously by the Insurer, under a policy of which this Policy is a replacement; and

(c) no Related Claim has been made against the Insured prior to the Policy Period.

The cover provided under this Extension will be in accordance with this Policy, except that:

(i) if the excess applicable to the policy in force at the time when the Insured first became aware of such fact, event, circumstance or Wrongful Act is higher than the Excess specified in the Policy Schedule, then that higher amount will be deemed to be the Excess specified in the Policy Schedule in respect of such Claim; and

(ii) if the amount of the limit of liability applicable to the policy in force at the time when the Insured first became aware of such fact, event, circumstance or Wrongful Act is lower than the amount of the Limit of Liability, then that lower amount will be deemed to be the amount of the Limit of Liability in respect of such Claim.

2.4 Extended reporting period

Insuring Clauses 1, 2, 3, 4, 5 and 6 are extended as follows:

In the event that this Policy is neither renewed or replaced at the end of the Policy Period with insurance that covers substantially the same risk exposure as this Policy, the Policyholder will be entitled to purchase an Extended Reporting Period of 90 days.

The Extended Reporting Period begins immediately following the expiry of the Policy Period and ends on the earlier of 4 p.m. L.S.T. on the ninetieth day thereafter, or at the time on the effective date on which the Policyholder obtains insurance that covers substantially the same risk exposure as this Policy.

The additional premium for the Extended Reporting Period will be 25% of the Full Annual Premium.

The entitlement to purchase the Extended Reporting Period lapses upon expiry of the Policy Period.

The application to purchase the Extended Reporting Period must be received by the Insurer prior to the expiry of the Policy Period, and payment of the additional premium must be made to the Insurer within thirty days of the same date.

In the event that a Merger or Acquisition takes place, the Policyholder will not be entitled to purchase the Extended Reporting Period.

During the Extended Reporting Period the Policyholder may continue to notify the Insurer of:

(a) Claims, but only Claims based on Wrongful Acts committed or alleged to have been committed prior to expiry of the Policy Period.

(b) Policy claims, but only Policy Claims for Fidelity Loss caused by dishonest or fraudulent acts committed prior to expiry of the Policy Period.

Any notification to the Insurer during this Extended Reporting Period will be deemed to have been first notified to the Insurer during the Policy Period.
2.5 Extended reporting period for retiring directors and officers

Insuring Clauses 1, 2 and 4 are extended as follows:

In the event that this Policy is neither renewed or replaced at the end of the Policy Period with insurance covering at least substantially the same risk exposure as Insuring Clauses 1 and 2, then any Director or Officer who retires from all paid employment and office during the Policy Period, but prior to a Merger or Acquisition, shall be entitled to an Extended Reporting Period of 365 days immediately following expiry of the Policy Period.

During the Extended Reporting Period the Director or Officer may continue to notify Claims to the Insurer, but only claims based on Wrongful Acts committed or alleged to have been committed prior to the date of retirement.

Any Claim made and notified to the Insurer during this extended reporting period will be deemed to have been first made and notified to the Insurer during the immediately preceding Policy Period.

2.6 Fraud investigator expenses

Insuring Clause 6 is extended to cover all reasonable expenses (excluding overtime wages, salaries, fees and other internal costs incurred in the normal course of business) incurred by the Company with the Insurer's prior written consent, solely to investigate, prove and substantiate the amount of the Policy Claim.

The total liability of the Insurer under this Extension will not exceed in the aggregate the Fraud Investigator Expenses Sub-limit specified in the Policy Schedule.

The Fraud Investigator Expenses Sub-limit is in addition to the Limit of Liability.

2.7 Legal representatives

Insuring Clauses 1, 2, 4 and 5 are extended as follows:

If an Insured Person or Trustee dies or becomes legally incapable or bankrupt, then this Policy will afford cover for Loss resulting from Claims:

(a) first made against such Insured Person's or Trustee's estate, heirs, executors or other legal representatives; and

(b) notified to the Insurer, during the Policy Period based on Wrongful Acts by such Insured Person or Trustee.

However, the estate, heirs, executors or other legal representatives must comply with the terms of this Policy.

2.8 Occupational health and safety expenses

Subject to the provisions of the Advancement of Defence Costs and Representation Expenses Extension, Insuring Clauses 1, 2, and 3 are extended as follows:

Notwithstanding the Bodily Injury and Property Damage Exclusion or the Occupational Health and Safety Law Exclusion the Insurer will pay, on behalf of the Insured:

(a) Defence Costs incurred in defending Claims (other than a civil claim for compensation or damages) first made against the Insured and notified to the Insurer during the Policy Period, based upon occupational health and safety law which results from a Wrongful Act; and

(b) Representation Expenses, where the subject matter of the official investigation, examination, inquiry or other proceedings is occupational health and safety law.

Under this Extension, Representation Expenses also includes necessary and reasonable costs, charges and expenses (other than regular or overtime wages, salaries, fees or Benefits of the Insured Person) incurred with the Insurer's prior consent, in representing and assisting the Insured at a visit from an inspector of a workplace health and safety authority in connection with and following a workplace safety incident, provided that notice of the visit is given to the Insured and is notified to the Insurer during the Policy Period.

The cover provided under this Extension will only apply to Claims made in the jurisdictions of Australia and New Zealand and pursuant to the laws of Australia or New Zealand.

The total liability of the Insurer under this Extension to Insuring Clause 3 will not exceed in the aggregate, the Company Occupational Health and Safety Expenses Sub-limit specified in the Policy Schedule.

If there is an entitlement to payment under the Pollution Expenses Extension then there is no entitlement to payment under this Extension.

2.9 Outside directorships

Insuring Clauses 1, 2 and 4 are extended to include as an Insured Person a person who, at the written request of the Company was prior to the Policy Period, or is during or after the Policy Period a director or officer of, or occupies a position of equivalent status in, any Non-Profit Outside Entity or Outside Entity.

Any cover afforded by this Extension will be specifically excess of:

(a) any indemnity; or

(b) any insurance contract specified in the Policy Schedule or by Endorsement; available from or through the Non-Profit Outside Entity or Outside Entity.
The **Policyholder** must notify the **Insurer** of any insurance contract under which any **Insured Person** is entitled to an indemnity in respect of an **Outside Entity** as soon as reasonably practicable, providing full details of such other insurance contract, including the identity of the insurer, the policy number and such further information as the **Insurer** may reasonably require.

The **Insurer** will not be liable under this Extension for **Loss** resulting from any **Claim** by a **Non-Profit Outside Entity** or **Outside Entity**, or any director or officer of, or any person of equivalent status in, a **Non-Profit Outside Entity** or **Outside Entity**, except for any **Claim**:

(a) resulting from an **Employment Wrongful Act**; or

(b) solely for a contribution or indemnity in respect of a **Claim** which is brought against another **Insured Person** and is covered under this **Policy**; or

(c) by that **Non-Profit Outside Entity** or **Outside Entity** as a statutory derivative action, but not voluntarily solicited or assisted by that **Non-Profit Outside Entity** or **Outside Entity** or by a director or officer of, or a person of equivalent status in, that **Non-Profit Outside Entity** or **Outside Entity**; or

(d) by a liquidator, administrator or receiver or equivalent in any jurisdiction, but not voluntarily solicited or assisted by that **Non-Profit Outside Entity** or **Outside Entity** or by a director or officer of, or a person of equivalent status in, that **Non-Profit Outside Entity** or **Outside Entity**; or

(e) by a **Non-Profit Outside Entity** or **Outside Entity** pursuant to Section 50 of the Australian Securities and Investments Commission Act 2001.

### 2.10 Pecuniary penalties

Insuring Clauses 1, 2, 4 and 5 are extended to cover, to the extent permitted by law, any pecuniary penalties imposed upon the **Insured Persons** or **Trustees** based on **Wrongful Acts**.

In the event of any conflict between this Extension and the Bodily Injury and Property Damage Exclusion or the Occupational Health and Safety Law Exclusion, this Extension shall apply.

In the event of any conflict between this Extension and the Pollution Exclusion, this Extension shall apply, except where **Pollution** arises directly or indirectly from or in respect of the **Insured’s** liability as owner or operator of any aircraft, marine craft or motor vehicle of any kind.

The cover provided under this Extension will only apply to such pecuniary penalties imposed in the jurisdictions of Australia and New Zealand and pursuant to the laws of Australia or New Zealand.

The total liability of the **Insurer** under this Extension will not exceed in the aggregate, the Pecuniary Penalties Sub-limit specified in the **Policy Schedule**.

### 2.11 Pollution expenses

Subject to the provisions of the Advancement of Defence Costs and Representation Expenses Extension, Insuring Clauses 1, 2 and 3 are extended as follows:

Notwithstanding the Bodily Injury and Property Damage Exclusion, the Occupational Health and Safety Law Exclusion or the Pollution Exclusion, the **Insurer** will pay:

(a) on behalf of the **Insured, Defence Costs** incurred in defending **Claims** (other than a civil claim for compensation or damages) first made against the **Insured** and notified to the **Insurer** during the **Policy Period**, based on **Pollution** which results from a **Wrongful Act**; and

(b) on behalf of the **Insured Persons, Representation Expenses**, where the subject matter of the official investigation, examination, inquiry or other proceedings is **Pollution**.

The cover provided under this Extension will only apply to **Claims** made in the jurisdictions of Australia and New Zealand and pursuant to the laws of Australia or New Zealand.

The total liability of the **Insurer** under this Extension will not exceed in the aggregate, the Pollution Expenses Sub-limit specified in the **Policy Schedule**.

### 2.12 Representation expenses

Insuring Clauses 1, 2, 4 and 5 are extended as follows:

The **Insurer** will pay **Representation Expenses** on behalf of the **Insured Persons** or **Trustees** subject to the provisions of the Advancement of Defence Costs and Representation Expenses Extension.

If there is an entitlement to payment under the Occupational Health and Safety Expenses Extension or the Pollution Expenses Extension, then there is no entitlement to payment under this Extension.

### 2.13 Special excess limit for non-executive directors

Insuring Clauses 1, 2 and 4 are extended as follows:

In the event that the **Limit of Liability** and all other indemnification available to a **Non-Executive Director** is exhausted, the **Insurer** will pay on behalf of any **Non-Executive Director, Loss** up to $1,000,000.

The total liability of the **Insurer** under this Extension will not exceed during the **Policy Period**:

(a) $1,000,000 in the aggregate for each **Non-Executive Director**, and

(b) the **Limit of Liability** specified in the **Policy Schedule** in the aggregate for all **Loss** paid on behalf of all **Non-Executive Directors**.
2.14 Spouses

Insuring Clauses 1, 2, 4 and 5 are extended as follows:

If a Claim against an Insured Person or Trustee includes a claim against such Insured Person’s or Trustee’s Spouse solely by reason of (i) such Spouse’s legal status as a Spouse of such Insured Person or Trustee, or (ii) such Spouse’s ownership interest in property which the claimant seeks as recovery for Claims made against such Insured Person or Trustee, then all loss which such Spouse becomes legally liable to pay resulting from such Claim will be treated for the purposes of this Policy as Loss.

This Extension does not apply to the extent the Claim alleges any act, error or omission by such Insured Person’s or Trustee’s Spouse.

3. Optional extension

3.1 Company pecuniary penalties

If the Company Pecuniary Penalties Extension is noted as ‘Included’ in the Policy Schedule, Insuring Clauses 3 and 4 are extended to cover, to the extent permitted by law, any pecuniary penalties imposed upon the Company based on Wrongful Acts, except for any pecuniary penalties imposed:

(a) pursuant to any Consumer Protection Act; or
(b) pursuant to any law regulating air, marine or vehicular traffic; or
(c) directly or indirectly as a result of or in connection with a requirement to pay taxes, duties, rates, levies, charges, fees or any other revenue raising measure; or
(d) where the Company knew, or where a reasonable person in the circumstances ought reasonably to have known, prior to the Policy Period that the Company had contravened a law and committed an offence pursuant to that law; or
(e) as a result of further Wrongful Acts committed after the Company first knew, or where a reasonable person in the circumstances ought reasonably to have known, that the Company had contravened a law and committed an offence pursuant to that law, and which led to the imposition of increased or additional pecuniary penalties.

The cover provided under this Extension will only apply to such pecuniary penalties imposed in the jurisdiction of Australia and pursuant to the laws of Australia.

The total liability of the Insurer under this Extension will not exceed in the aggregate, the Company Pecuniary Penalties Sub-limit specified in the Policy Schedule, and all payments will be part of and not in addition to the Limit of Liability.

In the event of any conflict between this Extension and the Bodily Injury and Property Damage Exclusion or the Occupational Health and Safety Law Exclusion, this Extension shall apply.

In the event of any conflict between this Extension and the Pollution Exclusion, this Extension shall apply, except where Pollution arises directly or indirectly from or in respect of the Insured’s liability as owner or operator of any aircraft, marine craft or motor vehicle of any kind.

4. Exclusions

These Exclusions apply to all the terms of the Policy unless otherwise stated. Where an Exclusion applies to a particular Insuring Clause then it also applied to the Extensions to that Insuring Clause.

The Insurer will not be liable for:

4.1 Asbestos

Loss resulting from Claims or Policy Claims arising directly or indirectly from or in respect of Asbestos, Asbestos fibres or derivatives of Asbestos.

4.2 Benefits

Loss resulting from Claims arising directly or indirectly from or in respect of an actual or alleged violation of the responsibilities, obligations or duties imposed by any law relating to workers compensation, unemployment insurance, retirement benefits, social security or disability benefits.

This Exclusion will not apply to Insuring Clauses 1, 2 or 5.

4.3 Bodily injury and property damage

Loss resulting from Claims for bodily injury, any form of psychiatric, psychological or mental injury, illness, disease or death of any person, or damage to or destruction of any tangible property, including any consequent loss of use thereof except that this Exclusion will not apply in respect of any actual or alleged psychiatric, psychological or mental injury alleged in any Claim by any Insured Person resulting from any Employment Wrongful Act.

4.4 Capital raising

Loss resulting from Claims arising directly or indirectly from or in respect of any offer for the raising of capital by debt or equity, including but not limited to any prospectus.
4.5 Dishonest or criminal intent / improper conduct

Loss resulting from Claims against any Insured arising directly or indirectly from or in respect of:

(a) any Wrongful Act committed by that Insured with wilful, reckless, dishonest, fraudulent, malicious or criminal intent; or

(b) that Insured improperly using their position to gain an advantage for that Insured or someone else or to cause a detriment to the Company; or

(c) that Insured improperly using information obtained as a result of their position to gain an advantage for that Insured or someone else or to cause a detriment to the Company,

in each case only if established by any admission by the Insured, judgment, or other adjudication.

For the purpose of this Exclusion, the fact that one Insured has committed or is alleged to have committed the conduct described in (a), (b) or (c) above will not be imputed to any other Insured.

4.6 Industrial relations

Loss resulting from Claims arising directly or indirectly from or in respect of collective industrial or labour relations including but not limited to: strikes; lock-outs; demarcation disputes; negotiating awards or enterprise agreements; collective redundancies; obligations to consult representatives and employees in relation to redundancies and other actions that arise; other than Claims based on an individual employment relationship.

This Exclusion will not apply to Insuring Clauses 1 or 2.

4.7 Insured v Insured

Loss, other than Defence Costs, resulting from any Claim by the Company except for any Claim:

(a) by the Company as a statutory derivative action, but not voluntarily solicited or assisted by the Company or an Insured Person; or

(b) by a liquidator, administrator, or receiver or equivalent in any jurisdiction, but not voluntarily solicited or assisted by an Insured Person; or

(c) by the Company pursuant to Section 50 of the Australian Securities and Investments Commission Act 2001.

4.8 Known claims and circumstances

Loss resulting from Claims arising directly or indirectly from or in respect of any fact, event, circumstance or Wrongful Act:

(a) known to any Insured at the inception of this Policy and which a reasonable person in the circumstances would have thought might give rise to a Claim; or

(b) which has been or should reasonably have been the subject of any written notice given under any policy of which this Policy is a direct or indirect renewal or replacement; or

(c) alleged in, discovered in, relating to or underlying any Claim made against any Insured prior to the inception of this Policy.

4.9 Major shareholder

Loss resulting from Claims (whether in the name of the Company or not) by any shareholder having directly or indirectly Control of fifteen per cent or more of the Company.

4.10 Nuclear

Loss resulting from Claims or Policy Claims arising directly or indirectly from or in respect of:

(a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or

(b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

4.11 Occupational health and safety law

Loss resulting from Claims arising directly or indirectly from or in respect of any breach of occupational health and safety law.

4.12 Pollution

Loss resulting from Claims arising directly or indirectly from or in respect of Pollution including without limitation any Claim for financial loss to the Company arising directly or indirectly from Pollution.

4.13 Professional services

Loss resulting from Claims arising directly or indirectly from or in respect of:

(a) any breach of duty in respect of any professional services or professional advice by the Insured; or

(b) any breach of any contract for the provision of professional services or professional advice by the Insured, except that this Exclusion will not apply in respect of any actual or alleged professional services or professional advice which is provided by an Insured Person when acting solely in their capacity as an Insured.
Person, or as a Trustee and in circumstances where such professional services or professional advice is provided to the Insured and not to third parties in the course of the Company's professional business.

4.14 War and terrorism

Loss resulting from Claims or Policy Claims arising directly or indirectly from or in respect of:

(a) declared or undeclared war, civil war, insurrection, riot, rebellion or revolution, military, naval or usurped power, governmental intervention, expropriation or nationalisation or any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence; or

(b) any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism.

5. Additional exclusions applicable to insuring clause 3: company liability

Under Insuring Clause 3, the Insurer will not be liable for:

5.1 Contractual liability

Loss resulting from Claims arising directly or indirectly from or in respect of any actual or alleged breach of any term of any contract, whether express or implied.

5.2 Intellectual property rights

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual breach of any other party's intellectual property rights, or infringement or violation of any trade secret.

5.3 Privacy rights

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual breach of any other party's privacy rights.

5.4 Product liability and product recall

Loss resulting from Claims arising directly or indirectly from or in respect of:

(a) the Insured's manufacture, distribution and/or sale of products; or

(b) the recall of any products manufactured, distributed and/or sold by the Insured.

5.5 Restrictive trade practices

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual restrictive trade practices including but not limited to, Part IV of the Trade Practices Act 1974 (Commonwealth) or similar legislation in other jurisdictions, or tortious interference with any other party's business or contractual relationships.

5.6 Superannuation funds

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual Wrongful Act in connection with any superannuation fund.

6. Additional exclusions applicable to insuring clause 4: employment practice liability

Under Insuring Clause 4, the Insurer will not be liable for:

6.1 Employee entitlements

Loss payable for, or in respect of, or calculated by reference to:

(a) salary or wages earned prior to the date of termination; or

(b) Benefits; or

(c) any amount not indemnified by the Company for which any Insured is absolved for payment by reason of any covenant, agreement or court order; or

(d) payment for time in lieu of notice, severance or redundancy.

6.2 Injunctive relief or accommodation

Loss payable for, or in respect of, or calculated by reference to:

(a) the cost of complying with any injunctive or other non-monetary relief or any agreement to provide any such relief; or

(b) costs incurred by any Insured to make any accommodation in respect of working practices or otherwise on the basis of a person's disability or family responsibilities or as may be required under any law relating anti-discrimination.

In the event of an inconsistency between this Exclusion and the definition of Claim, the provisions of this Exclusion shall prevail.

6.3 Liability of others

Loss resulting from Claims arising directly or indirectly from or in respect of the liability of others assumed by any Insured under any contract or agreement unless such liability would have attached in the absence of such contract or agreement.
6.4 Specified period employment contract
(a) Loss, other than Defence Costs and claimant’s costs and expenses, resulting from Claims arising directly or indirectly from or in respect of a breach of a specified period employment contract; and
(b) Defence Costs and claimant’s costs and expenses resulting from Claims arising directly or indirectly from or in respect of a breach of a specified period employment contract:
   (i) unless and until the Insured has received legal advice based on the facts as they existed as at time of the actual or alleged breach from a competent legal adviser stating that the Insured has reasonable legal grounds to amend or terminate such specified period employment contract; and
   (ii) provided that the Insured has not received legal advice from a competent legal adviser stating that the Insured does not have reasonable legal grounds to terminate specified period employment contract.

For the purposes of this Exclusion a specified period employment contract will be a specified period employment contract irrespective of whether or not such contract provides for a qualified or unqualified right to terminate the contract on notice prior to its expiry date.

6.5 Unfair employment contract
Loss resulting from Claims arising directly or indirectly from or in respect of:
(a) a contract of employment alleged to be unfair; or
(b) the seeking of relief pursuant to Section 106 of the Industrial Relations Act (NSW) 1996 or Section 276 of the Industrial Relations Act (Queensland) or similar legislation in other jurisdictions.

7. Additional exclusions applicable to insuring clause 6: fidelity
Under Insuring Clause 6, the Insurer will not be liable for Policy Claims for:

7.1 Confidential information
Fidelity Loss arising directly or indirectly from or in respect of the accessing or disclosure of any confidential information, including but not limited to trade secret information, computer programs, confidential processing methods or other confidential information of any kind except where such accessing or disclosure enables the commission of any act otherwise covered under Insuring Clause 6.

7.2 Damage to premises
Fidelity Loss arising directly or indirectly from or in respect of damage or destruction to the Insured’s premises.

7.3 Discovery outside the policy period
Fidelity Loss first Discovered prior to the commencement of the Policy Period or after the expiry of the Policy Period.

7.4 Dishonesty or fraud of director or employee shareholder
Fidelity Loss arising directly or indirectly from or in respect of any dishonest or fraudulent act committed by:
   (a) a Director or Trustee; or
   (b) an Employee acting in collusion with a Director or Trustee; or
   (c) an Employee having at any time more than five per cent Control of or interest in the Company.

7.5 Indirect or consequential loss
indirect or consequential loss of any kind, including but not limited to loss of income, potential income, interest, profits or dividends, whether or not earned or accrued.

7.6 Loss of records
Loss of or damage to records, manuscripts, accounts, microfilms, tapes or other records or the cost of reproducing any information contained in such lost or damaged records.

7.7 Loss sustained after discovery
Fidelity Loss, or that part of any Fidelity Loss, caused by an Employee, which is sustained after Discovery of any dishonest or fraudulent act committed by such Employee:

7.8 Profit and loss computation and inventory comparison
Fidelity Loss, or that part of any Fidelity Loss, the proof of which is dependent solely upon:
   (a) a profit and loss computation or comparison; or
   (b) a comparison of inventory records with an actual physical count,
provided that where the Company establishes wholly apart from such computation or comparison that it has sustained Fidelity Loss caused by an identified Employee, then it may offer its inventory records and actual physical count of inventory in support of the amount of Fidelity Loss claimed.

7.9 Retroactive date
Fidelity Loss sustained prior to the Continuity Date specified in the Policy Schedule, or the date since the Company has continuously held uninterrupted fidelity cover, whichever is the earlier.
7.10 Territory
Fidelity Loss arising directly or indirectly from or in respect of any dishonest or fraudulent act committed in whole or part outside of Australia or New Zealand.

7.11 Trading loss
Fidelity Loss arising directly or indirectly from or in respect of any authorised or unauthorised trading in Money, Securities or Covered Property by an Employee, whether acting alone or in collusion with any other person and whether or not such trading is in the name of the Company and whether or not such trading is in a genuine or fictitious account.

8. Limit of liability and excess
If the Insured is comprised of more than one entity, the Limit of Liability and Excess applies to the group of such entities as a whole.

8.1 Limit of liability
Except as provided for in the Special Excess Limit for Non-Executive Directors Extension and the Fraud Investigator Expenses Extension, the Insurer’s liability to the Insured under this Policy will not exceed the Limit of Liability in the aggregate for all:
(a) Loss resulting from all Claims first made and notified to the Insurer during the Policy Period;
(b) Policy Claims for Fidelity Loss first Discovered and notified to the Insurer during the Policy Period; and
(c) Business Crisis Consultant Fees incurred in responding to a Business Crisis Event first occurring during the Policy Period.

The Insurer has no liability for any amount above the Limit of Liability.

The purchase of any Extended Reporting Period will not increase or reinstate the Limit of Liability or any Sub-limit of Liability, which will be the Insurer’s maximum liability for the Policy Period and Extended Reporting Period, combined.

8.2 Excess
The Insured is liable for the amount of Loss that is less than the Excess for each:
(a) Claim; and
(b) Policy Claim.

The Excess is deducted from Loss payable before the application of the Limit of Liability or Sub-limit.

The Insurer has no liability for the amount of Loss that is less than the Excess.

The Insured agrees that the Excess specified in the Policy Schedule must be retained by the Insured and is to remain uninsured.

The Excess will not apply to the Fraud Investigator Expenses Extension or Business Crisis Consultant Fees or Insuring Clause 8: Legal Consultation or any Loss directly payable by any Insured who is a natural person.

8.3 Related claims
For the purpose of the calculation of the Limit of Liability, any Sub-limit or Excess all Related Claims will be deemed to be one Claim and cover for all Related Claims will be provided as follows:
(a) if the first Related Claim is first made during this Policy Period and notified to the Insurer during this Policy Period or any applicable Extended Reporting Period, then cover for all subsequent Related Claims will only be provided under this Policy; and
(b) if the first Related Claim was first made and notified to this Insurer during a period prior to this Policy Period, during which the Insured had cover with this Insurer, then cover for all Related Claims will only be provided under that earlier policy with this Insurer, subject to the terms, excess and limit of liability of that earlier policy; and
(c) if the first Related Claim was first made during a period prior to this Policy Period, during which the Insured did not have cover with this Insurer, then no cover for any Related Claim will be provided under this Policy.

8.4 Related fidelity loss
For the purpose of the calculation of the Fidelity Sub-limit or Excess, all Policy Claims for Fidelity Loss sustained as a result of the same or causally related acts, causes or events will be deemed to be one Policy Claim regardless of when during the Policy Period or prior thereto such acts occurred.

9. Claims conditions
9.1 Notification
The Policyholder must give to the Insurer notification of any Claim made against any Insured, Discovery of any Fidelity Loss, any Business Crisis Event or any Loss, as soon as reasonably practicable within the Policy Period or within any applicable Extended Reporting Period at the Claims Notification address or facsimile number specified in the Policy Schedule.
Each notification of a Claim must include so far as practicable:

(a) the identity of the claimant or potential claimant; and
(b) the nature of the Claim; and
(c) the likely quantum of the Claim.

Each notification of a Policy Claim must include affirmative proof duly sworn, with full particulars of the Money, Securities or Covered Property involved.

The Policyholder must provide the Insurer with such further information and documentation as it may reasonably require.

9.2 Co-operation

In the event of a Claim, Policy Claim, Business Crisis Event or Loss, the Insured will at all times and at its own cost provide the Insurer with all information, evidence, documentation, assistance and co-operation and will execute such documents, including signed statements and affidavits, which the Insurer reasonably requests.

The Insured will at all times and at its own cost use reasonable endeavours to do and concur in doing everything reasonably practicable to avoid or diminish Loss and to assist with the defence, investigation or settlement of any Claim, Policy Claim or Business Crisis Event.

The Insurer may make any investigation it deems necessary.

9.3 Claims conduct

The Insurer is entitled to take over and conduct in the name of the Insured the defence or settlement of any Claim and will have full discretion in the conduct of any proceedings and in the settlement of any Claim.

The Insurer reserves entirely its rights under this Policy, including its right to agree or deny cover while it assesses a Claim or conducts the defence. The Insurer’s rights under this Policy are not affected if it does not conduct the defence.

Neither the Insured nor the Insurer will be required to contest or litigate any Claim if, in the opinion of Senior Counsel, reasonable attempts should be made to settle the Claim. The Senior Counsel shall be mutually agreed upon, or in the absence of such agreement, as nominated by the President of the NSW Bar Association. The cost to obtain the opinion will be advanced by the Insurer and treated as Defence Costs.

Senior Counsel shall provide the opinion in writing. In formulating the opinion Senior Counsel shall consider commercial matters including the amount of the Claim, the actual and potential Loss (including Defence Costs) that may reasonably be incurred in contesting the Claim, the liability prospects and the prospect of recovering costs against the claimant in the event that the defence is successful. Senior Counsel shall also provide a settlement range within which reasonable attempts should be made to settle the Claim.

If it is the opinion of Senior Counsel that reasonable attempts should be made to settle the Claim, the Insured shall not object to the Insurer’s attempt to do so.

9.4 Settlement

The Insured must not settle or offer to settle any Claim, incur any Defence Costs, or Representation Expenses or otherwise assume any contractual obligation or admit any liability in respect of any Claim without the Insurer’s prior written consent.

If the Insured objects to a proposal by the Insurer to settle or compromise any Claim payable under this Policy and wishes to contest or litigate the matter, then the Insured may so elect, but the Insurer’s liability in respect of any such Claim so contested or litigated will not exceed the amount for which, but for such election, it could have been settled or compromised by the Insurer, together with Defence Costs payable in accordance with the terms of this Policy and incurred up to the time of such election.

9.5 Basis of valuation of fidelity loss

Securities

In respect of Loss of Securities the Insurer will not be liable for more than the actual market value of the Securities at the close of business on the business day immediately preceding the day on which the Loss was Discovered or the actual cost of replacing the Securities, whichever is less, plus the cost of posting any required lost instrument bond (which cost will be paid by the Insurer on behalf of the Insured).

The Indirect or Consequential Loss Exclusion does not apply to the calculation of Loss of Securities.

Covered property

In respect of Loss of Covered Property the Insurer will not be liable for more than the actual cash value of Covered Property at the time of Loss or the actual cost of repairing or replacing the Covered Property with property of similar quality or value whichever is the lesser.

9.6 Allocation of loss

This claims Condition applies to any part of any Loss resulting from a Claim which is in respect:

(a) of one Insured only; or
(b) of more than one Insured, whether jointly or severally; or
(c) of one or more Insured and one or more persons or entities who is or are not an Insured, whether jointly or severally, and which is partly covered and partly not covered under this Policy, (together ‘Loss to be Allocated’).

The Insurer must determine a fair and reasonable allocation of the covered part of the Loss to be Allocated among the relevant Insureds and the Insurer having regard to the extent of each Insured’s comparative responsibility for the Loss to be Allocated. The Insurer’s consideration of what is fair and reasonable should include without limitation, the following factors:

(a) the nature of the Claim against each Insured;
(b) the issues of fact and law in relation to each Insured;
(c) the content and the manner of the conduct of any defence of the Claim;
(d) the relative degree of personal responsibility for the Loss;
(e) the extent to which the Insured’s responsibility for the Loss is joint, several or shared;
(f) the extent to which any person or entity, other than that Insured, would obtain a benefit from the payment by the Insurer;
(g) the extent to which the Loss is solely of that Insured;
(h) the extent to which the issues in the Claim against that Insured are in common with the issues in the Claim against any other person or entity;
(i) the extent to which the Loss is partly covered and partly not covered under this Policy;
(j) in the event of a settlement, the likely comparative responsibility had the settlement not occurred.

If the Insured wishes to dispute the Insurer’s determination of the allocation, each party agrees that the dispute must be referred for expert determination in accordance with the Australian Commercial Disputes Centre ("ACDC") Mediation Guidelines, to an expert agreed by the parties, or if the parties do not agree on an expert, an expert nominated by the then current CEO of ACDC or the CEO’s nominee.

Each party agrees to sign an agreement with the expert that confirms the following:

(a) each party will pay an equal share of the fees for the appointed expert (to be charged at the expert’s usual rate); and
(b) the expert may:
   (i) consider relevant industry practice;
   (ii) consider all information presented to the expert by either party;
   (iii) request more information from either party;
   (iv) request a meeting with the parties (to which they may bring their lawyers); and
(c) the expert must decide within thirty days after the agreement is signed, and need not give reasons; and
(d) the expert’s decision will be binding on the parties and final; and
(e) the expert will exclude all liability of the expert to either party (including liability for negligence) to the full extent permitted by law.

This allocation applies for all purposes under this Policy including the Advancement of Defence Costs and Representation Expenses Extension and the Subrogation and Recoveries Claims Condition.

Any allocation of Loss will not apply to or create a presumption with respect to the allocation of other Loss on account of such Claim.

9.7 Subrogation and recoveries

Preservation of rights of recovery

The Insured will take all necessary steps to preserve its rights of recovery. The Insured will not, without the Insurer’s prior consent in writing:

(a) release, agree not to sue on, waive or prejudice, any such rights; or
(b) enter into any arrangement or compromise or do any act whereby any rights or remedies to which the Insurer would be subrogated are or may be prejudiced.

Provision of information and assistance

The Insured agrees to provide the Insurer with all information, evidence, documentation, assistance and co-operation and to execute such documents, including signed statements and affidavits, which the Insurer reasonably requests in the exercise of its rights of recovery.

The Insured will at all times and at its own cost use reasonable endeavours to do and concur in doing everything reasonably practicable to assist in the exercise of its rights of recovery.
Fidelity recoveries

In the event of any payment in respect of a Policy Claim:

(a) the Company must, if requested by the Insurer, take all reasonable steps to make recovery from any person committing or condoning the dishonest or fraudulent act or from the legal representatives of such person; and

(b) to the extent allowed by law, the Insurer will deduct the following from any amount payable in respect of Fidelity Loss caused by or resulting from a dishonest or fraudulent act:

(i) any monies which but for such dishonest or fraudulent act would be due from the Company to the person committing or condoning such act; and

(ii) any monies held by the Company and belonging to such person; and

(iii) any monies recovered under (a) above;

and all such monies will be applied towards reducing the amount of the Loss.

All recoveries

All recoveries obtained by the Insured from other parties will be allocated, after the settlement of any Claim or Policy Claim under this Policy as follows:

(a) firstly, to the benefit of the Insured to reduce or extinguish the amount of the Insured’s Loss to the extent that it would have been paid under this Policy but for the fact that such Loss exceeds the sum of the Limit of Liability or the Fidelity Sub-limit, and the Excess where applicable; and

(b) secondly, to the benefit of the Insurer for all sums paid in settlement of Loss arising under this Policy; and

(c) thirdly, to the benefit of the Insured for the Excess under this Policy.

All recoveries will be applied as herein only after deduction of the reasonable cost of obtaining such recovery.

Recoveries made prior to settlement of any Claim or Policy Claim under this Policy will be held for the benefit of the Insurer and applied as stated herein after settlement if any is made.

Recoveries do not include any amount recovered from insurance, suretyship, reinsurance, security or indemnity taken for the benefit of the Insurer.

10. General terms

10.1 Acquisition, merger or winding up of policyholder

If, during the Policy Period, any of the following events occur:

(a) a Merger or Acquisition of the Policyholder; or

(b) the appointment of a receiver, controller, administrator or liquidator to the Policyholder or, the commencement of a scheme of arrangement or compromise or a winding up process in respect of the Policyholder, then this Policy will remain in force until the expiry of the Policy Period:

(i) under Insuring Clauses 1, 2, 3, 4, and 5, only in respect of Loss resulting from Claims based on Wrongful Acts committed or alleged to have been committed; or

(ii) under Insuring Clause 6, only in respect of Fidelity Loss sustained, prior to the events described in a or b above.

There shall be no cover:

(i) under Insuring Clause 7 for Business Crisis Consultant Fees in responding to a Business Crisis Event occurring; or

(ii) under Insuring Clause 8 for legal advice sought as a result of, or after, the events described in a or b above.

10.2 Assignment

This Policy cannot be assigned by the Policyholder.

10.3 Authorisation

The Policyholder is the agent for each Insured and each Insured is bound by any statement, act or omission of the Policyholder for all purposes under this Policy, subject to the Claims Conduct Claims Condition and the Disclosure and the Severability and Imputation General Terms.

If the Policyholder is more than one entity, then the first entity listed in the Policy Schedule will be deemed to be the Policyholder.

10.4 Cancellation

The Policyholder is entitled to cancel this Policy at any time, by notice, to the Insurer, except at the time of, or following the events described in the Acquisition, Merger or Winding up of Policyholder General Term.

Upon receipt of such request the Insurer will retain a short period premium calculated at a pro rate of the Full Annual Premium for the time it has been on risk plus ten per cent and the Policyholder will receive a refund of any balance of the premium.

The Insurer may cancel this Policy in accordance with the Insurance Contracts Act 1984.
10.5 Company failure to indemnify

Where Insuring Clause 2 applies and the Company is in liquidation (other than voluntary liquidation) and has insufficient funds available to indemnify the Insured Persons for Loss as agreed, then the Excess applicable to the Company specified in the Policy Schedule is not payable to the Insurer.

10.6 Confidentiality

The Insured must not disclose the existence or terms of this Policy, including without limitation the Limit of Liability, the nature of the insurance or the premium payable under the Policy to any person who is not an Insured except where:

(a) the Insured is required by law or stock exchange rules to do so; or
(b) the Insurer provides its prior written consent to such disclosure.

10.7 Disclosure

Each Insured represents that the information about that Insured supplied to the Insurer before the Policy Period in respect of this Policy is correct, true and complete. The Insured acknowledges that the Insurer relies on this information and this representation.

10.8 Severability and imputation

For the purposes of this Policy, any knowledge or information possessed by any past, present or future chief executive officer, chief operating officer, chief financial officer, chief legal officer (or similar positions) or chairman of the board of directors shall be imputed to the Company.

The Proposal made to the Insurer prior to entering into this Policy shall be construed as separate applications for cover by the Company and each Insured Person and, except as provided for above, no information provided by or representation made by one, shall be imputed to another.

No breach of this Policy or knowledge or information possessed by the Company or any Insured Person shall be imputed to another except as provided for above.

10.9 Goods and Services Tax

As part of the premium, the Insurer will charge the Policyholder an amount on account of GST.

The Policyholder must inform the Insurer of the extent to which it is entitled to an input tax credit for that GST amount each time that it notifies a Claim or makes a Policy Claim under this Policy. No payment will be made to the Policyholder for any GST liability that it may incur on the settlement of a Claim or Policy Claim if it does not inform the Insurer of its entitlement or correct entitlement to an input tax credit.

Despite the other terms of this Policy, the Insurer’s liability to the Policyholder will be calculated taking into account any input tax credit to which the Policyholder is entitled for any acquisition which is relevant to the Claim or Policy Claim, or to which it would have been entitled had it made a relevant acquisition.

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

10.10 Governing law

The construction, interpretation and meaning of the terms of this Policy will be determined in accordance with the laws of the Commonwealth of Australia and the State or Territory where the Policy was issued. Any disputes relating to the construction, interpretation and meaning of the terms of this Policy will be submitted to the exclusive jurisdiction of the courts of the Commonwealth of Australia.

10.11 Interpretation

In this Policy the singular includes the plural and vice versa. The male gender includes the female and neutral genders. Person includes bodies corporate, except in the term Insured Person when it does not include bodies corporate.

A reference in this Policy to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision (whether of the Commonwealth of Australia or elsewhere).

The titles and headings to the various sections of the Policy are included solely for ease of reference and do not in any way limit or expand or otherwise affect the terms of such sections.

10.12 Jurisdiction

Except where otherwise provided, this Policy provides cover for Claims made anywhere in the world except for those Claims:

(a) brought in a court of law, arbitration, tribunal forum or other body entitled to impose enforceable orders against the Insured in North America; or
(b) arising from the enforcement of any judgment, order or award in respect of any action brought in any court of law in North America.

10.13 Material change

The Insured must notify the Insurer as soon as reasonably practicable of any material change in the risk insured by this Policy. The Insurer is entitled to amend the terms of this Policy and/or charge an additional premium based on the Insurer’s assessment of any change in the risk insured by this Policy.
10.14 Other insurance
If, at the time any Loss arises under this Policy, there is any other insurance contract in force covering the same Loss, the Policyholder must notify the Insurer as soon as reasonably practicable providing full details of such other insurance contract, including the identity of the insurer, the policy number and such further information as the Insurer may reasonably require.

10.15 Other notices
Any communications to the Insurer under this Policy, including any application to purchase an Extended Reporting Period, must be sent by the Policyholder to the Insurer at the Insurer's address or facsimile number specified in the Policy Schedule.

Notice to the Insured may be given to the Policyholder or its agent at the address specified in the Policy Schedule.

10.16 Payment of premium
The Policyholder must pay the premium specified in the Policy Schedule on or before ninety days after the inception of the Policy Period or such other time that the Insurer agrees in writing. If the Policyholder fails to pay the premium within that period, the Insurer is entitled to cancel this Policy in accordance with the Insurance Contracts Act 1984.

10.17 Variation of the policy
No variation of this Policy will be effective, except when made by written Endorsement.

11. Definitions
When used in this Policy:

Act of Terrorism means an act, including but not limited to the use of force or violence or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of, or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government or to put the public, or any section of the public, in fear.

Asbestos means asbestos in whatever form including, without limitation, asbestos products or products containing asbestos.

Benefits means:
(a) fringe benefits and perquisites; or
(b) amounts due or payments made in connection with superannuation or an employee benefit plan or pension scheme; or
(c) share or stock options or any other right to purchase, acquire or sell shares or stock; or
(d) bonuses, or employee or management incentive schemes or similar.

Business Crisis Consultant Fees means the reasonable costs, charges, fees and expenses of an independent management consultant engaged to minimise the effect of the Business Crisis Event, but only during the first thirty days immediately following the Business Crisis Event.

Business Crisis Event means any one of the following unforeseen events which, in the reasonable opinion of the Managing Director (or equivalent) of the Company, if left unmanaged has the potential to lead to an imminent decrease of 30% or more of the Company's consolidated revenues:
(a) the loss of a major customer or contract of the Company; or
(b) the sudden and unexpected death or injury of any Insured Person; or
(c) the unexpected imposition of a tax bill; or
(d) the recall of any product manufactured, distributed or sold by the Insured; or
(e) the illegal tampering with or contamination of any product manufactured, distributed or sold by the Insured.

Claim means:
(a) a written communication, including electronic communications, to an Insured, containing a demand for compensation or damages, alleging an act, error, omission, conduct, facts or circumstances that may constitute a Wrongful Act; or
(b) a civil proceeding commenced by the service of a written complaint, summons, statement of claim, writ or similar pleading or an arbitral process, cross-claim, or counter claim against an Insured alleging an act, error, omission, conduct, facts or circumstances that may constitute a Wrongful Act; or
(c) any criminal proceeding commenced by a summons or charge of an Insured Person arising from a Wrongful Act; or
(d) any official investigation, examination, inquiry or other proceedings which gives rise to Representation Expenses.

Claim does not mean an action solely for declaratory or injunctive relief where there is no demand for compensation or damages.
Company means:
(a) the Policyholder; and
(b) Subsidiaries of the Policyholder prior to or as at the commencement of the Policy Period, but cover only applies in respect of Wrongful Acts or any dishonest or fraudulent act committed or alleged to have been committed subsequent to the acquisition or creation of such Subsidiary.

Consumer Protection Act means any of the following:
(a) Fair Trading Act 1992 (ACT)
(b) Fair Trading Act 1987 (NSW)
(c) Consumer Affairs and Fair Trading Act 1996 (NT)
(d) Fair Trading Act 1989 (QLD)
(e) Fair Trading Act 1987 (SA)
(f) Fair Trading Act 1990 (Tas)
(g) Fair Trading Act 1999 (Vic)
(h) Fair Trading Act 1987 (WA)
(i) Trade Practices Act 1974 (Cth)
and any amendment, consolidation or re-enactment of any of those Acts.

Control means the definition of control in the Corporations Act 2001.

Covered Property means tangible property other than Money and Securities.

Defence Costs means the Insured’s share, according to the Allocation of Loss Claims Condition, of necessary and reasonable costs, charges, fees and expenses (other than regular or overtime wages, salaries, fees or Benefits of the Insured Persons or Trustees) incurred by that Insured with the Insurer’s prior written consent, in defending, investigating or settling covered Claims.

Director means any natural person who was prior to the Policy Period, or is during or after the Policy Period a validly appointed director (as defined in the Corporations Act 2001 or any equivalent provision in the jurisdiction in which the company is incorporated) of the Company.

Discovered / Discovery means when any Director, Officer, senior manager of the Insured or Trustee, not in collusion with an Employee committing a dishonest or fraudulent act, first becomes aware of facts which would cause a reasonable person in the circumstances to believe that Loss covered by this Policy has occurred, or is likely to occur, regardless of when the act or acts causing or contributing to such Loss occurred and even though the exact amount or details of Loss may not then be known.

Employee means any natural person who was prior to the Policy Period, or is during or after the Policy Period an employee of the Company, (which will include trainees, casual, part time, seasonal, temporary, voluntary and work experience personnel) acting in such capacity, but excludes Directors and independent contractors.

Employment Wrongful Act means any employment related act, error, omission or conduct constituting actual, constructive or alleged: wrongful dismissal, discharge or termination of employment; wrongful failure to employ or promote; wrongful deprivation of career opportunity; misleading representation or advertising in respect of employment; wrongful disciplinary action; negligent employee evaluation; wrongful demotion; breach of employment contract; sexual or workplace harassment (including the creation of a workplace environment conducive to such harassment); wrongful discrimination; failure to grant tenure; invasion of privacy or defamation, committed by the Insured.

Endorsement means any document which is described as an endorsement to this Policy and intends to vary it. An Endorsement does not affect or increase the Limit of Liability, or any other term, except to the extent specifically provided in the Endorsement. For the avoidance of doubt, each Endorsement is otherwise subject to all the terms of this Policy.

Excess means the sum of:
(a) the excess specified in the Policy Schedule; and
(b) any amount payable under a Specified Policy; and
(c) under the Outside Directorships Extension, any other indemnity available from a Non-profit Outside Entity or Outside Entity.

Fidelity Loss means direct financial or physical loss of Money, Securities and Covered Property belonging to, leased by or in the care, custody or control of the Company, sustained by the Company caused by any dishonest or fraudulent act committed by an Employee (whether acting alone or in collusion with any other person). Fidelity Loss does not mean:
(a) regular or overtime wages, salaries, fees or Benefits earned in the normal course of employment; or
(b) damages of any type, including but not limited to punitive, exemplary or aggravated damages.
Full Annual Premium means the annual premium payable by the Policyholder, including any additional premium which becomes payable in respect of the Policy Period in question.

Insured means:
(a) the Company; and
(b) the Insured Persons; and
(c) any Trustee.

Insured Person means any natural person who was prior to the Policy Period, or is during or after the Policy Period a Director, Officer or Employee of the Company.

Insurer means AAI Limited ABN 48 005 297 807 trading as Vero Insurance.

Limit of Liability means the limit of liability specified in the Policy Schedule.

Loss means:
(a) the amount, whether determined by judgment, verdict or award for which the Insured is legally liable to a third party for a Claim and includes damages, compensation orders, interest and claimant’s costs and expenses; and
(b) a settlement of a Claim by a third party against an Insured Person, which complies with Settlement Claims Condition; and
(c) Defence costs; and
(d) under Insuring Clause 4, in the event that the Company is ordered to re-instate or re-employ an Employee, the cost to the Company of complying with any order to pay salary or wages, or damages calculated by reference to salary or wages, to an Employee for the period from the date of the purported dismissal or termination to the date on which the court, tribunal or similar body delivered its judgment to the Parties; and
(e) under Insuring Clause 6, Fidelity Loss; and
(f) under Insuring Clause 7, Business Crisis Consultant Fees; and
(g) under the Fraud Investigator Expenses Extension, all reasonable expenses incurred by the Company with the Insurer’s prior written consent, solely to investigate, prove and substantiate the amount of the Policy Claim; and
(h) under the Occupational Health and Safety Expenses, Pollution Expenses and Representation Expenses Extensions, Representation Expenses; and
(i) under the Pecuniary Penalties Extension and the Company Pecuniary Penalties Optional Extension only, pecuniary penalties on each subject to the Allocation of Loss Claims Condition.

Loss does not mean:
(j) taxes, fines and penalties imposed by law, other than those covered under the Pecuniary Penalties Extension; or
(k) punitive, exemplary or aggravated damages.

Management Wrongful Act means any act, error, omission, conduct, misstatement, misleading statement, neglect or breach of: duty; trust; contract; warranty of authority; statute or confidentiality, actually or allegedly committed by:
(a) the Company; or
(b) any Insured Person in his or her capacity:
   (i) as an Insured Person; or
   (ii) under the Outside Directorships Extension, only, as a director or officer of, or as the holder of a position of equivalent status in, any Non-Profit Outside Entity or Outside Entity, or any matter claimed against any Insured Person solely by reason of his or her serving in such capacities, but does not include any Employment Wrongful Act or Trustee Wrongful Act.

Merger or Acquisition means:
(a) the Policyholder or the Company consolidating with, merging into or selling all or substantially all of its assets such that the Policyholder or the Company is not the surviving entity; or
(b) any entity obtaining Control of the Policyholder or the Company.

Money means, without limitation, legal tender including bank notes, coins, bullion, cheques, bills of exchange, promissory notes, and claims on bank deposits and accounts.

Non-Executive Director means any Director who, at the time of the alleged Wrongful Act, is not an Officer or Employee of any Company, or a paid consultant to the Company.

Non-Profit Outside Entity means any non-profit organisation of any kind that is exempt from the payment of income tax, other than a Subsidiary.
**North America** means the United States of America and Canada and in each case its territories and protectorates.

**Officer** means any natural person who was prior to the **Policy Period**, or is during or after the **Policy Period**:

(a) a company secretary of the **Company**; or

(b) a person:

(i) who makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the **Company**; or

(ii) who has the capacity to affect significantly the **Company**'s financial standing; or

(iii) in accordance with whose instructions or wishes the **Directors** of the **Company** are accustomed to act (excluding advice given by the person in the proper performance of functions attaching to the person's professional capacity or their business relationship with the **Directors** or the **Company**),

other than:

(iv) a receiver, or receiver and manager; or

(v) an administrator or an administrator of a deed of company arrangement; or

(vi) a liquidator; or

(vii) a trustee or other person administering a compromise or arrangement made between the **Company** and someone else.

**Outside Entity** means any company specified in the **Policy Schedule** or by **Endorsement**, other than a **Subsidiary**.

**Policy** means and consists of this Management Liability Insurance policy wording, the **Policy Schedule** and any **Endorsement** and their terms are incorporated into the terms of this **Policy**.

**Policy Claim** means a written demand by or on behalf of the **Company** to the **Insurer** for payment of **Loss** under this **Policy**.

**Policy Committee** means a prescribed policy committee for the purposes of Part 9 of the Superannuation Industry (Supervision) Act 1993.

**Policyholder** means the organisation specified in the **Policy Schedule**.

**Policy Period** means the period of time specified as the **Policy Period** in the **Policy Schedule**.

**Policy Schedule** means the schedule attaching to the **Policy**.

**Pollutants** means any solids, liquids, gaseous or thermal irritants, contaminants, smoke, vapour, soot, fumes, odour or any other air emission, acids, alkalis, chemicals, waste materials, waste water, oil or oil products, infectious biological or medical waste, **Asbestos**, electric or magnetic or electromagnetic fields, noise and any ionising radiations or contamination by radioactivity.

**Pollution** means:

(a) the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of **Pollutants** into or on real or personal property, water or the atmosphere; or

(b) any direction or request to test for, monitor, clean up, treat, detoxify or neutralise **Pollutants**.

**Proposal** means the signed proposal form and declaration completed in respect of this **Policy**, including any renewal declaration and any information supplied by the **Insured** about any matter or risk the subject of or relevant to this insurance or **Policy**.

**Related Claims** means all **Claims** arising directly or indirectly from or in respect of the same or causally related or continuous or repeated **Wrongful Acts** whether committed by one or more of the **Insured** and whether directed to or affecting one or more than one person or legal entity.

**Representation Expenses** means:

(a) the **Insured Person**'s or **Trustee**'s; and

(b) under Extension 2.8 Occupational Health and Safety Expenses, the **Company**'s share;

according to the Allocation of Loss Claims Condition, of necessary and reasonable costs, charges and expenses (other than regular or overtime wages, salaries, fees or **Benefits** of the **Insured Person** or **Trustee** incurred by:

(c) that **Insured Person** or **Trustee**; and

(d) under Extension 2.8 Occupational Health and Safety Expenses, the **Company**,

with the **Insurer**'s prior written consent, in preparing for, attending and being represented at any official investigation, examination, inquiry or other proceedings (other than the **Company**'s or **Superannuation Fund**'s own internal investigation) ordered or commissioned by any regulator, government body or authority, governmental or administrative agency, official body or institution, legally constituted industry or professional board into the affairs of the **Company** or the conduct of the **Insured Persons** in their capacity as such or as a director or officer of, or the holder of a position of equivalent status in a **Non-Profit Outside Entity** or **Outside**
Entity or Trustees in their capacity as such, provided that notice of the investigation, examination, inquiry or other proceedings is first received by the Insured and notified to the Insurer during the Policy Period.

Securities means shares, stocks, bearer instruments, derivatives, bonds, warrants, debentures, units in shares, units in trusts (including any evidence of indebtedness or other equity or debt security), rights under a depositary receipt or other securities (or interests therein) of whatever nature.

Specified policy means:
(a) any insurance contract under which the Policyholder or any Insured is entitled to an indemnity and which is specified in the Proposal or by Endorsement; or
(b) any renewal or replacement of that insurance contract.

Spouse means a lawful spouse or any person deriving similar status by reason of the common law or statute.

Subsidiary means:
(a) a subsidiary of the Policyholder as defined in the Corporations Act 2001; or
(b) any body corporate in which the Policyholder:
   (i) controls the composition of the board of the body corporate; or
   (ii) is in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the body corporate; or
   (iii) holds more than one-half of the issued share capital of the first body (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); or
(c) any body corporate which is a subsidiary of a body corporate described in a or b above; or
(d) any other body corporate whose accounts are consolidated into those of the Policyholder in accordance with the relevant Australian Accounting Standard.

Superannuation Fund means a corporate superannuation fund established for the benefit of Employees of the Company, but excludes any industry, master or self managed superannuation fund.

Trustee means any Insured Person who:
(a) was prior to the Policy Period, or is during or after the Policy Period a:
   (i) duly appointed trustee of the Superannuation Fund; or
   (ii) member of the Policy Committee of the Superannuation Fund, to the extent that such person’s activities concern the administration of that Superannuation Fund as is contemplated under the Superannuation Industry (Supervision) Act 1993; or
(b) was prior to or at the commencement of the Policy Period a trustee of the Superannuation Fund duly appointed by a court or regulatory body or pursuant to statute.

Trustee Wrongful Act means any act, error, omission, conduct, misstatement, misleading statement, neglect, defamation or breach of duty; contract; confidentiality; trust or statute, actually or allegedly committed by any Trustee in connection with the Superannuation Fund, but does not include any Employment Wrongful Act.

Wrongful Act means:
(a) a Management Wrongful Act; or
(b) an Employment Wrongful Act; or
(c) a Trustee Wrongful Act.

End of wording
**Notices**

These notices do not form part of the Policy.

**Duty of disclosure**

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer’s decision whether to accept the risk of insurance, and if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty, however, does not require disclosure of any matter:

▼ that diminishes the risk to be undertaken by the insurer;

▼ that is of common knowledge;

▼ that your insurer knows or, in the ordinary course of his business, ought to know;

▼ as to which compliance with your duty is waived by the insurer.

**Non-disclosure**

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim, refuse to pay the claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

**Claims made and notified basis of cover**

Some sections of this Management Liability Insurance Policy are issued on a ‘claims made and notified’ basis.

This means that these sections of the policy respond to:

(a) claims first made against you during the policy period and notified to the insurer during the policy period, provided that you were not aware at any time prior to the policy inception of circumstances which would have put a reasonable person in your position on notice that a claim may be made against him/her; and:

(b) written notification of facts pursuant to Section 40(3) of the Insurance Contracts Act 1984. The facts that you may decide to notify are those which might give rise to a claim against you. Such notification must be given as soon as reasonably practicable after you become aware of the facts and prior to the time at which the policy expires. If you give written notification of facts the policy will respond even though a claim arising from those facts is made against you after the policy has expired. For your information, S40(3) of the Insurance Contracts Act 1984 is set out below;

“S40(3) Where the insured gave notice in writing to the insurer of facts that might give rise to claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim when made by reason only that it was made after the expiration of the period of the insurance cover provided by the contract.”

When the policy period expires, no new notification of claims or facts can be made on the expired policy even though the event giving rise to the claim against you may have occurred during the policy period. An exception to this is under the extended reporting period extension. If an extended reporting period is purchased as provided for in the extension, then some cover for new notification of claims or facts is available.

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 or alleged to have occurred or been committed prior to the retroactive date, where one is specified in the policy terms which are offered to you.

**Retroactive date**

If a retroactive date applies to a section of this policy then it means that cover is excluded for any wrongful act occurring or committed prior to the retroactive date.

This policy also contains provisions that exclude cover for any wrongful act occurring or committed by a subsidiary and its directors, officers or employees prior to its acquisition or creation by the policyholder.

**Preservation of rights of recovery**

This policy contains a provision that has the effect of excluding or limiting the Insurer’s liability in respect of a loss, if the insured releases, agrees not to sue on, waives or prejudices its rights of recovery, or enters into any arrangement or compromise or does any act whereby any rights or remedies to which the insurer would be subrogated are or may be prejudiced.

**Subrogation waiver**

This policy contains a provision that has the effect of excluding or limiting the Insurer’s liability in respect of a liability incurred solely by reason of the Insured entering into a deed or agreement excluding, limiting or delaying the legal rights or of recovery against another.
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.


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 Financial Ombudsman Service 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 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, or obtaining a list of overseas countries you can:


Speak to us directly by phoning one of our Sales & Service Consultants on: 1300 888 073 or by

Email us at claims@vero.com.au