



ASSOCIATION LIABILITY

**LIABILITY PACKAGE
FOR ASSOCIATIONS AND
NON PROFIT ORGANISATIONS
INSURANCE POLICY**

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Section 1

The insurance contract

- 1.1 Upon full payment of the **Gross Premium** specified in the **Policy Schedule**, **We** agree to provide the **Cover** described in the insuring clauses under section 2 of this **Policy** in accordance with and subject to, all the terms, conditions, exclusions and limits of this **Policy** and in excess of the applicable **Excess** specified in the **Schedule**.
- 1.2 Before this **Policy** came into effect, **We** were provided by or on behalf of the **Insured** with information in a written **Proposal**. **We** have relied on this information to decide whether to enter into this contract and on what terms. This information is part of the insurance contract with **Us**.
- 1.3 If any of that information is wrong or false, it may affect entitlement to **Cover** under this **Policy**.
- 1.4 This **Policy** is in force for the **Period of Insurance** stated in the **Schedule**.
- 1.5 If full payment of the **Gross Premium** is not made, there is no **Cover**.

Section 2

The cover we provide

2.1 Professional Indemnity Insurance Cover

We provide **Cover** to the **Insured** against **Loss** for **Claims** by reason of any **Wrongful Act** arising from a breach of professional duty in the conduct of the **Insured Professional Business Practice** and which **Claims**:

- a) are first made against the **Insured** during the **Period of Insurance**; and
- b) of which **We** are first notified in writing during the **Indemnity Period**; and
- c) which arise from an act, error or omission on or after the retroactive date specified in the **Schedule**.

2.2 Directors & Officers Insurance Cover

We will pay on behalf of the **Insured Persons** that **Loss** for which the **Insured Persons** may not be legally indemnified by the **Association** arising out of any **Claim** by reason of any **Wrongful Act** committed by them in their capacity as an **Insured Person** of the **Association** which **Claims**:

- a) are first made against them jointly or severally during the **Period of Insurance**; and
- b) of which **We** are first notified in writing during the **Indemnity Period**.

2.3 Association Reimbursement Insurance Cover

We will pay on behalf of the **Association**, when the **Association** is legally required or permitted to indemnify an **Insured Person**, any **Loss** arising out of a **Claim** made against an **Insured Person** by reason of any **Wrongful Act** committed by that **Insured Person** whilst acting in their capacity as an **Insured Person** of the **Association**, provided always that such **Claims**:

- a) are first made against the **Insured Person** during the **Period of Insurance**; and
- b) of which **We** are first notified in writing during the **Indemnity Period**.

2.4 Association Entity Insurance Cover

We will pay on behalf of the **Association** any **Loss** arising from any **Claims** made against the **Association** by reason of any **Wrongful Act** committed by an **Insured Person** which **Claims**:

- a) are first made against the **Association** during the **Period of Insurance**; and
- b) of which **We** are first notified in writing during the **Indemnity Period**.

2.5 Employment Practices Insurance Cover

We will pay on behalf of the **Insured** (subject to the **Specific Cover Limit** set out in the **Schedule**), any Loss that the **Insured** is legally obliged to pay arising from **Employment Practices Claims** which:

- a) are first made against the **Insured** during the **Period of Insurance**; and
- b) of which **We** are first notified in writing during the **Indemnity Period**.

2.6 Fidelity Insurance Cover

We will reimburse the **Association** for any **Fidelity Loss** it sustains during the **Period of Insurance** where such **Fidelity Loss**:

- a) is sustained by reason of any dishonest or fraudulent acts committed by an **Insured Person**; and
- b) is first discovered by the **Association** during the **Period of Insurance**; and
- c) of which **We** are notified during the **Period of Insurance**.

Cover under this section is always subject to section 7 of this **Policy** and the following provisions:

- i) The **Insured** shall bear the costs and expenses of establishing the nature and extent of the **Fidelity Loss**. **We** will be under no obligation to provide **Cover** until the **Insured** has substantiated that such **Fidelity Loss** has in fact been sustained.
- ii) There is no **Cover** for any **Fidelity Loss** amount, the existence of which, has only been proved by profit and loss figures or by inventory calculations (including stock-takes).
- iii) There is no **Cover** for any consequential loss, including, but not limited to, loss of reputation, loss of use or enjoyment, loss of profits or depreciation, arising from any dishonest, fraudulent, malicious, illegal acts or omissions of any **Insured Person** except if specifically **Covered** by this **Policy**.
- iv) There is no **Cover** for any **Fidelity Loss** amount caused by or contributed to by an **Insured Person** who was not employed in connection with the **Association** when the act or omission which caused or contributed to the **Fidelity Loss** occurred.
- v) There is no **Cover** for any **Fidelity Loss** arising from default under a loan or any type of credit offered to or by the **Association**.
- vi) The **Excess** for Fidelity as stated in the **Schedule**, applies to each and every **Fidelity Loss** resulting from each separate dishonest, fraudulent, malicious or illegal act or omission committed by an **Insured Person**.

2.7 Taxation Investigation Cover

Where the **Association** or any person on behalf of the **Association**, first received a **Tax Audit Notice** from the Australian Taxation Office,

- a) during the **Period of Insurance**, and
- b) of which **We** are first notified in writing during the **Indemnity Period**,
- c) **We** will (subject to the **Specific Cover Limit** set out in the **Schedule**), provide **Cover** to the **Association** for necessary **Tax Audit Costs** reasonably incurred by the **Association** up to the completion of the audit or investigation.

Cover under this section is always subject to section 8 and the following provisions:

There is no **Cover** for **Tax Audit Costs** in respect of, arising out of, or relating to:

- i) Any improper, unwarranted or unjustified delay, refusal or failure to comply with any request made by or on behalf of the Australian Taxation Office, for the production of documents or the furnishing of information by the **Association**.
- ii) Inquiries from the Australian Taxation Office which are not related to an identified intention to conduct an audit or likely future audit.
- iii) Any audit or investigation concerning income earned or where the source of income is outside Australia and its external territories, or where the services giving rise to the audit are performed by persons or any corporate entity ordinarily resident outside Australia.
- iv) Matters arising under customs legislation.
- v) Any audit or investigations, notice of which or information as to their likely conduct, was received by the **Association** or any person acting on its behalf, prior to the **Period of Insurance**. Receipt of such communication will have occurred where the Australian Taxation Office makes communication with the **Association** or any other person acting on its behalf.
- vi) Any fraudulent act, error, omission or fraudulent misrepresentation committed by or on behalf of the **Association**.
- vii) The imposition of or seeking to impose any tax, penalty tax, costs, interest, fine or any fees or expenses in connection with any criminal prosecution.
- viii) An audit or investigation of a return of income that has not been prepared or reviewed by the **Accountant** or **Registered Tax Agent**, except where the return is a prescribed sales tax return or a prescribed payroll tax return.
- ix) **Tax Audit Costs** incurred after the audit or investigation has been completed.

The **Excess** for **Tax Audit Costs** as stated in the **Schedule**, applies to each and every **Tax Audit Notice** received by the **Association** during the **Period of Insurance**.

Section 3

Additional types of claims covered

In accordance with the insuring clauses under sections 2.1, 2.2, 2.3, 2.4 (and all corresponding extensions) but not including sections 2.5, 2.6 and 2.7, this **Policy** also provides **Cover** for the following types of **Claims** in accordance with all other terms, extensions, exclusions and conditions of this **Policy**:

- a) Unintentional defamation.
- b) **Loss** of or damage to **Documents** which were in the **Insured's** physical custody or control at the time of loss or damage.
- c) Unintentional infringement of any patent, copyright, design or trademark or plagiarism.
- d) Unintentional breach of confidentiality.
- e) Unintentional breach of Part V of the Trade Practices Act 1974 or corresponding sections of the Fair Trading legislation enacted throughout Australia (but not for criminal liability).

Section 4

Automatic extensions

We only provide **Cover** under any of the following extensions in accordance with the applicable insuring clause under section 2 of this **Policy** and all the terms and conditions of this **Policy** unless specified to the contrary. The inclusion of any extension shall not increase the **Policy Limit**.

Extensions applicable to all sections except Fidelity Insurance section 2.6 and Tax Investigation Costs section 2.7

In accordance with sections 2.1, 2.2, 2.3, 2.4, and all other terms and conditions of this **Policy** but not including section 2.5, 2.6 and 2.7:

4.1 Reinstatement of Policy Limit

We provide **Cover** up to a maximum of twice the **Policy Limit** for all **Claims** covered by this **Policy** subject to the following limits on reinstatement provided under this extension:

- i) In the aggregate, **Cover** under this **Policy** shall not exceed the **Policy Limit** for any one **Claim** or series of **Claims** arising from the same acts, errors or omissions.
- ii) If there is additional insurance in excess of the limit of this **Policy**, then **Cover** in excess of one **Policy Limit** (up to a maximum of twice the **Policy Limit**) is only available for so much of the liability (otherwise covered by this **Policy**) which is not covered by the additional insurance.
- iii) The **Policy Limit** does not increase if more than one **Insured Person** causes or contributes to the **Claim**.
- iv) If the **Schedule** indicates any **Specific Cover Limit** for section 2.5, 2.6 or section 2.7 **Claims** or losses, then the **Specific Cover Limit** applies only to **Claims** or losses under that specific section. There is no reinstatement of any **Specific Cover Limit** when the **Policy Limit** is reinstated under this section. The **Policy Limit** itself still applies to all other **Claims** individually and to the total of all **Claims** added together (including **Claims** or losses for which a **Specific Cover Limit** applies, which are included within and not in addition to the **Policy Limit**).

4.2 Advancement of Defence Costs

If **We** elect not to take over and conduct the defence or settlement of any **Claim** then **We** will pay all reasonable **Defence Costs** associated with that **Claim** as and when they are incurred provided that:

- i) **We** have not denied indemnity for the **Claim**; and
- ii) **Our** written consent is obtained prior to the **Insured Person** and/or the **Association** incurring such **Defence Costs** (such consent not to be unreasonably withheld).

We reserve the right to recover any **Defence Costs** paid under this extension from the **Insured Person** and/or the **Association** severally according to their respective interests, in the event and to the extent that it is subsequently established by judgment or other final adjudication, that they were not entitled to indemnity under this **Policy**.

4.3 Joint Venture

We provide **Cover** to the **Insured** only for the **Insured's** individual liability as otherwise covered by this **Policy** (and not for the **Insured's** joint liability) in respect of any Joint Venture work undertaken by the **Insured** which is consistent with the **Insured Professional Business Practice**.

4.4 Continuous Cover

We Cover the **Insured** for any **Claim** otherwise covered by this **Policy** arising from a **Known Circumstance** (notwithstanding section 6.1 of this **Policy**):

- i) where the **Insured** first became aware of facts or circumstances which might give rise to a future **Claim** prior to the **Period of Insurance**; and
- ii) **We** were the insurer of the **Insured's** association liability policy at the time the **Insured** first became aware of the facts or circumstances and **We** continued in uninterrupted succession to be the insurer of the **Insured's** association liability policy until this **Policy** came into effect; and
- iii) the **Insured** had not notified **Us** or any previous insurer of such facts or circumstances prior to the **Period of Insurance**, but has notified **Us** of such facts or circumstances during the **Indemnity Period**; and
- iv) had **We** been notified of the **Known Circumstances** when the **Insured** first knew of it, the **Insured** would have been covered by that **Policy** and the **Insured** would (but for section 6.1 of this **Policy**) otherwise be covered under this **Policy**; and
- v) there has been no fraudulent non compliance with the **Insured's** duty of disclosure or fraudulent misrepresentation by the **Insured** in respect of such facts or circumstance.

If the **Insured** was entitled to have given notice under any other policy of insurance (other than the policy referred to in paragraph (iv) above) and thereby have an entitlement to indemnity, in whole or in part, then this Continuous Cover extension does not apply to provide indemnity under this **Policy** to the extent that indemnity is provided to the **Insured** under that other policy of insurance.

The **Policy Limit** of the cover **We** provide under this provision is the lesser available under the terms of the Policy in force at the earlier time referred to in paragraph (iv) above, or under this **Policy**. The terms of this **Policy** otherwise apply.

For the purpose of the requirement in (ii) above (i.e. of being the insurer of the **Insured's** association liability policy in uninterrupted succession), if at the time the **Insured** first became aware of the facts or circumstances **We** were not the **Insured's** association liability insurer but we were the **Insured's** professional indemnity / director's & officers insurer and **We** continued to be the professional indemnity / director's & officers insurer

until the **Insured** replaced the professional indemnity / director's & officers policy with an association liability policy and **We** continued in uninterrupted succession to be the **Insured's** association liability insurer until a **Claim** arising from those facts or circumstances was made against the **Insured** and was notified to **Us**, then the requirement of being the insurer of the **Insured's** association liability policy in uninterrupted succession, is deemed to be satisfied provided that the requirements of paragraph (iv) above are also satisfied.

Extensions applicable to Professional Indemnity Insurance Section 2.1.

In accordance with section 2.1 and all other terms, exclusions and conditions of this **Policy** but not including sections 2.2, 2.3, 2.4, 2.5, 2.6, and 2.7, **We** will,

4.5 Fraud / Dishonesty

Subject to section 7 of this **Policy**, provide **Cover** to the **Insured** against **Loss** arising from any **Claim** brought about or contributed to by any dishonest or fraudulent act or omission of any **Insured Person** first made against them jointly or severally during the **Period of Insurance** and first notified to **Us** in writing during the **Indemnity Period**.

Provided always that **We** shall not provide **Cover** to any person permitting or condoning such dishonest, fraudulent, criminal or malicious act or omission.

Extensions applicable to Directors and Officers Sections: 2.2, 2.3, and 2.4

In accordance with sections 2.2, 2.3, 2.4, and all other terms, exclusions and conditions of this **Policy** but not including sections 2.1, 2.5, 2.6, 2.7, **We** will:

4.6 Attendance at Official Investigations or Inquiries

Pay the **Defence Costs** incurred with **Our** prior written consent by or on behalf of an **Insured Person** in attending any official investigation, examination, inquiry or other proceedings ordered or commissioned by any official body or institution, where such **Insured Person** is legally compelled by such a body or institution to attend such investigation, examination, inquiry or proceeding and which involves an allegation against an **Insured Person** of a **Wrongful Act** which is the subject of indemnity under this **Policy**.

4.7 Occupational Health & Safety

Notwithstanding exclusions 6.4 (Workers' Compensation), 6.7 (Bodily Injury) and 6.11 (Related Parties), provide **Cover** for **Defence Costs** in respect of any **Claim** (other than a civil claim for compensation or a **Claim** otherwise excluded) for breach of occupational health and safety laws.

4.8 Current Outside Directorship (Non Profit Organisations)

Provide **Cover** in accordance with section 2.2 of this **Policy** for **Claims** by reason of a **Wrongful Act** in any **Outside Directorship** which an **Insured Person** held in any **Non Profit Organisation** at the commencement of or during the **Period of Insurance** at the request of the **Association**.

Provided always that such **Cover**:

- i) will not extend to the **Non Profit Organisation** in which such **Outside Directorship** is held or to any other director, officer, or employee of such **Non Profit Organisation** who is not also an **Insured Person** of the **Association** under this **Policy**;
- ii) shall be specifically in excess of any other cover available to an **Insured Person** by reason of serving in such **Outside Directorship**;
- iii) under this extension shall be non cumulative with any other insurance issued by **Us**.

4.9 Run-off Cover for Outside Directorship (Non Profit Organisations)

Provide **Cover** in accordance with section 2.2 of this **Policy** for **Claims** by reason of a **Wrongful Act** in any **Outside Directorship** which an **Insured Person** held in any **Non Profit Organisation** and which the **Insured Person** ceased or ceases to hold prior to the commencement of or during the **Period of Insurance**.

Provided always that:

- i) the **Wrongful Act** giving rise to a **Claim** occurred before the **Insured Person** ceased holding such position;
- ii) the **Outside Directorship** had previously been covered by **Us** under a previous policy or is now covered under this **Policy**; and
- iii) the provisions under extension 4.8 of this **Policy** will apply to this run-off **Cover**.

4.10 Spousal Liability Cover

Pay on behalf of the **Spouse** of an **Insured Person** all **Loss** arising from a **Claim** in respect of a **Wrongful Act** committed by the **Insured Person**, provided always that **We** shall only provide **Cover** to the **Spouse** for a **Claim** which:

- i) is made against the **Spouse** for the sole reason that he or she is the **Spouse** of the **Insured Person**; and
- ii) relates to property jointly held by the **Insured Person** and his or her **Spouse**, or transferred by that **Insured Person** to his or her **Spouse** for lawful purposes only.

4.11 Indemnifiable Fines and Penalties

Notwithstanding exclusions 6.4 (Workers' Compensation), 6.6 (Fines and Penalties) and definition 12.18 (**Loss**), **We** will to the extent permitted by law provide **Cover** to an **Insured Person** (subject to this clause), against any Penalty payable by the **Insured Person** upon conviction of an offence under an Act (as defined below) arising from a criminal proceeding:

- i) which is first issued against the **Insured Person** during the **Period of Insurance**; and
- ii) notified to **Us** during the **Indemnity Period**; and
- iii) where such conviction is in respect of a **Wrongful Act** committed by an **Insured Person**.

The total aggregate amount payable by **Us** for all Penalty amount or amounts covered under this extension during the **Period of Insurance** shall be a maximum of \$100,000, and such amount shall be part of, and not in addition to, the aggregate **Policy Limit** stated in the **Schedule** for all section 2.2 Directors and Officers **Claims**.

In addition to section 6 exclusions, there is no **Cover** under this extension for any **Penalty** arising out of the failure of an **Insured Person** to comply with any lawful consent, demand, determination, memorandum, notice, order, schedule or the like issued under an Act.

For the purposes of this extension only, "Act" shall mean any of the following legislation only:

- i) The Trade Practices Act 1974;
- ii) The Privacy Act 1988;
- iii) The Corporation Act 2001;
- iv) The Associations Incorporations Act;
- v) The Occupational Health & Safety legislation of any State or Territory of Australia,

Including any amendment to, replacement or re-enactment of, any of this legislation, any regulation or other subordinate legislation made under these statutes, and (in respect (i) to (iv) inclusive) any equivalent legislation of a State or Territory of Australia.

"Penalty" under this extension only shall mean fine or cash penalty imposed by law and excludes any amounts payable as:

- a) compensation;
- b) compliance, remedial, reparation or restitution costs;
- c) exemplary or punitive damages;
- d) any consequential loss, including, but not limited to, loss of reputation, loss of use or enjoyment, loss of profits or depreciation, except if specifically **Covered** by this **Policy**.

We only provide **Cover** under this section for that part of the Penalty amount payable by the **Insured Person** above the **Excess** amount of \$5000. Notwithstanding item 7.3 of the **Schedule**, such **Excess** applies to each and every such Penalty amount but excludes all costs, charges and expenses.

4.12 Free legal consultation (applicable to all sections of this Policy)

During the **Period of Insurance** the **Insured** is entitled to up to two hours free legal advice from the appointed firm and nominated practitioner listed in Item 10 of the **Schedule** on any matter relating to the **Insured Professional Business Practice** subject always to the following:

- i) The **Schedule** must be presented to the legal practitioner when requesting legal advice under this section. If the **Schedule** is not presented then no legal advice can be sought under this section.
- ii) The legal practitioner will sign off the used minute units listed in the **Schedule**.
- iii) Entitlement to legal advice is limited to a maximum of two hours per policy per year and any unused hours or part thereof cannot be aggregated from one policy period to another.
- iv) **We** reserve the right to change the appointed firm or nominated practitioner at any time. Changes to the appointed firms and nominated practitioners will be notified to the **Insured** on request.
- v) The **Insured** may not seek legal advice on this **Policy** or other indemnity issues concerning insurance policies issued by **Us** under this section.
- vi) If **Cover** under this **Policy** is sought by the **Insured** in respect of any matter on which the **Insured** has sought legal advice under this section from the appointed firm or nominated legal practitioner, the **Insured** authorises **Us** (at **Our** discretion) to engage the appointed firm to represent the **Insured** and authorises the appointed firm when engaged to disclose to **Us** any information obtained in the course of tendering advice to the **Insured**. To the extent necessary, the **Insured** waives all claims to legal professional privilege as between **Us** and itself.

Section 5 Optional extensions

Where **Cover** is provided under this extension it shall be indicated in Item 10 of the **Schedule**. **We** reserve the right to offer the following extension and to impose any special conditions or charge any additional premium as **We** require. **We** only provide **Cover** under the following extension in accordance with sections 2.1, 2.2, 2.3, 2.4, 2.5 and all other terms and conditions of this **Policy** but not including section 2.6 and 2.7. The inclusion of this extension shall not increase the **Policy Limit**, or **Specific Cover Limit** applicable to section 2.5.

5.1 Extended Reporting Period

Where **We** refuse to offer terms to renew this **Policy** after its expiry for a further **Policy** period then, the **Association** and the **Insured Persons** shall jointly (but not separately) have the right upon payment of an amount equal to 25% of the total expiring annual **Gross Premium** stated in Item 6 of the **Schedule** to a once only extension of this **Policy** until the earlier of when a Replacement Policy is effected or for a further 90 days immediately following the expiry of the **Period of Insurance**. This extension, however, is only in respect of **Claims** made against the **Insured** in the extension period for any **Wrongful Act** committed or alleged to have been committed or attempted on or after the retroactive date specified in the **Schedule** and prior to the expiry of the **Period of Insurance**, provided always that this extension is requested by the **Insured** prior to the expiry of the **Period of Insurance**. There is no **Cover** under this **Policy** extension for **Claims** arising from any fact, situation or circumstance which an **Insured** knew, before this extension was requested, that might result in someone making an allegation against an **Insured** in respect of a **Loss** that might be covered under this **Policy** but not notified to **Us** as a potential **Claim** prior to the expiry of the **Period of Insurance**.

For the purpose of this extension, a "Replacement Policy" shall mean an insurance policy issued upon the expiry of this **Policy** and which covers substantially the same risk exposure as the expiring policy. A "Replacement Policy" may not necessarily have the same limits, excess or terms and conditions.

Section 6

Exclusions

Exclusions applicable to all of sections 2, 3, 4 and 5.

We do not provide **Cover** for any **Claims** (or losses):

6.1 Known Claims and Known Circumstances

- i) known by the **Insured** as at the inception date of this **Policy**; or
- ii) which arise from a **Known Circumstance**; or
- iii) directly or indirectly based upon, or attributable to, or in consequence of any such **Known Circumstance**.
- iv) disclosed on the proposal form or arising from facts or circumstances disclosed in the **Proposal** form.

6.2 Pollution, Nuclear Risks, War and Terrorism, Asbestos

Arising directly or indirectly from or caused by or contributed by or happening through or in connection with:

- i) pollution or contamination howsoever and wheresoever occurring. For the purpose of this **Policy**, the term Pollution shall have the meaning ascribed to it in the Protection of the Environment Operations Act 1997 No 156 (NSW).
- ii) atomic energy operations employing the process of nuclear fission or fusion or handling radioactive material which operations include but are not limited to:
 - a. the use of nuclear reactors such as atomic piles, particle accelerators or generators or similar devices; or
 - b. the use, handling or transportation of radioactive materials; or
 - c. the use handling or transportation of any weapon of war or explosive device employing nuclear fission or fusion. Provided always that this Exclusion 6.2 ii) shall not apply to any **Claim** arising from radio-isotopes or radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical or research pursuits; or
- iii) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any Government or Public or Local Authority, except to the extent that such an order arises as a result of any **Wrongful Act** committed by the **Insured Person** or **Association**.

- iv) a. any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, illness, injury, death, cost or expense.
- b. any action in controlling, preventing, suppressing, retailing against, or responding to any act of **Terrorism**.
- v) the existence of asbestos, if the **Claim** (or loss) would not have arisen but for the existence of asbestos.

6.3 Firewalls/E-Commerce

Directly or indirectly related to, based upon, attributable to or in consequence of any fact or circumstance arising from or caused by:

- i) a breach in computer firewalls or security systems;
- ii) misuse or unauthorised use of electronic transfer of funds / payments (including the failure to electronically transfer funds / payments) via the internet.

6.4 Workers' Compensation

Brought about by or contributed to by or which involve **Claims**, pursuant to or in relation to any Workers' Compensation or Occupational Health and Safety Acts or similar legislation.

However, this exclusion does not apply to any part of a **claim** specifically covered under extension 4.7.

6.5 Investment Advice

Directly or indirectly arising from, related to, based upon, attributable to or in consequence of any investment advice or information or opinion regarding investment (including allegations of or in connection with the negligent failure by the **Insured** to provide investment advice or information).

6.6 Fines and penalties

Arising from or by reason of or directly or indirectly caused by or arising from fines and penalties imposed by law, punitive, exemplary or aggravated or multiple damages, income tax, customs duties, excise duty, stamp duty, sales tax or any other State or Federal tax or duty.

However:

- i) this exclusion shall not apply to any parts of a **Claim** which are not for fines, penalties, punitive or exemplary damages, taxes, levies, imposts or duties;
- ii) in respect of sections 2.2 and 2.3 **Claims**, this exclusion shall not apply to costs and expenses which are incurred in the successful defence of any legal action involving fines, penalties, punitive or exemplary damages, taxes, levies, imposts or duties;
- iii) this exclusion shall not apply to any **Claims** which are specifically covered under extension 4.11.

6.7 Bodily Injury or Property Damage

- i) Where such **Claims** or losses are covered under section 2.1 of this **Policy**, and which directly or indirectly arise from or are related to bodily injury (except emotional distress or mental anguish), sickness, disease or death of or damage to property or destruction of any tangible property of any **Employee** of the **Insured** arising out of or in the course of their employment.
- ii) Where such **Claims** or losses are covered under sections 2.2, 2.3, 2.4, 2.5, 2.6 or 2.7 of this **Policy**, and which directly or indirectly arise from or are related to bodily injury (except emotional distress or mental anguish), sickness, disease or death of or damage to or destruction of any tangible property (including the loss of use thereof).

6.8 Foreign Courts

- i) first brought in a court outside Australia or New Zealand (or outside any country specified in the 'Jurisdictional Limits' in the **Schedule**); or
- ii) brought in a court within Australia or New Zealand to enforce a judgement handed down in a court outside Australia or New Zealand; or
- iii) where the proper law of a country other than Australia or New Zealand (or any country specified in the 'Jurisdictional Limits' of the **Schedule**) is applied to any part of the **Claim** or **Loss** covered by this **Policy**.

6.9 Medical Treatment

Based upon, arising out of, resulting from or in consequence of any medical treatment, advice and/or services and/or scientific or medical research.

6.10 Intentional Damage

Arising from acts, errors or omissions by the **Insured** with the intention of causing a third party loss, damage or injury, or with reckless disregard for the consequences.

Exclusions applicable to all sections 2, 3, 4 and 5 except Employment Practices Liability Insurance: section 2.5

We do not provide **Cover** for any **Claims** (or losses):

6.11 Related Parties

Against the **Insured** by or on behalf of:

- i) any person, firm or incorporated body covered by this **Policy**; or
- ii) any company or trust which is operated or controlled by the **Insured** or the **Insured's Employees**, nominees or trustees, and in which the **Insured** has a direct or indirect financial interest; or
- iii) by or on behalf of the **Insured** and/or any **Insured Person** against any person, firm or incorporated body covered by this **Policy**.

6.12 Molestation

Directly or indirectly related to, based upon, attributable to or in consequence of any actual or alleged molestation of, interference with, mental abuse of or physical abuse of any person, whether by the **Insured**, or by any agent or **Employee** of the **Insured**, or by any person performing any volunteer service for or on behalf of the **Insured**.

Further, there is no **Cover** under this **Policy** for, and there is no duty under this **Policy** to defend, any action, suit or proceedings against the **Insured**, either directly or indirectly, seeking damages on account of such molestation, interference, mental abuse or physical abuse.

6.13 Refund of Professional Fees and Trading Debts

- i) for refund of professional fees or charges (by way of damages or otherwise); or
- ii) arising from a liability to pay trading debts; or
- iii) for the return of remuneration paid to any **Insured Person** without the prior approval of the members of the **Association** which payment, without such prior approval, shall be held by a court to be in violation of the law.

Exclusions applicable to Professional Indemnity and Directors and Officers: sections 2.1, 2.2, 2.3, 2.4, 3 and corresponding section 4 and 5 extensions only

We do not provide **Cover** for any **Claims** (or losses):

6.14 Goods & Workmanship

- i) directly or indirectly arising from the manufacture, installation, assembly, processing, sale, supply or distribution of goods or products by or on behalf of the **Insured**; or
- ii) directly or indirectly arising from workmanship in the manufacture, fabrication, construction, erection, installation, assembly, alteration, servicing, remediation, repair, demolition or disassembly (including any materials, parts or equipment furnished in connection therewith) by or on behalf of the **Insured**; or from supervision of such workmanship by an **Insured**.

6.15 Assumed duty or obligation

- i) alleging a liability under a contractual warranty, guarantee or undertaking (unless liability would have existed regardless of the contractual warranty, guarantee or undertaking); or
- ii) about circumstances where a right of contribution or indemnity has been given up by an **Insured**, but only to the extent of the prejudice suffered by **Us** in those circumstances; or
- iii) about circumstances where someone has done work or provided services under an arrangement or agreement with the **Insured** which limits any potential right for the **Insured** to receive contribution or indemnity from that person but only to the extent of the prejudice suffered by **Us** in those circumstances; or

- iv) arising from any liability which the **Insured** agrees to accept outside that which is normal in the course of the conduct of the **Insured Professional Business Practice**; or
- v) arising from any business not conducted for or on behalf of the **Insured** firm or incorporated body.

6.16 Occupier's Liability, Motor, Marine, etc

- i) arising from occupation (or alleged occupation) of land or buildings by or on behalf of an **Insured**; or
- ii) arising from or in respect of an **Insured's** liability as an owner or operator of any aircraft, marine craft or motor vehicles of any kind.

Exclusions applicable to Directors and Officers and Employment Practices: sections 2.2, 2.3, 2.4, 2.5, 3 and corresponding section 4 and 5 extensions only.

We do not provide **Cover** for any **Claims** (or losses):

6.17 Dishonesty & Fraud

Brought about by, contributed to by or which involves:

- i) A wilful breach of duty, the dishonest, fraudulent or malicious act or omission or other act or omission committed with criminal intent of such **Insured Person** and/or **Association**; and/or
- ii) Such **Insured Person** and/or **Association** having improperly benefited in fact from securities transactions as a result of information that was not available to other sellers and/or purchasers of such securities; and/or
- iii) Such **Insured Person** and/or **Association** having gained in fact any personal advantage to which he/she was not legally entitled.

However, this exclusion shall only apply to the extent that the subject conduct has been established by an express admission, court judgment or other final adjudication.

6.18 Breach of Professional Duty

arising from:

- i) the rendering or failure to render professional services and/or professional advice; or
- ii) a breach or alleged breach of any contract for the provision of professional services and/or professional advice.

Exclusions applicable to Employment Practices Liability Insurance: section 2.5 and corresponding section 4 and 5 extensions only

We do not provide **Cover** for any **Claims** (or losses):

6.19 Building modifications

For the cost of physical modifications to premises, plant or equipment owned or occupied by or on behalf of the **Insured**.

6.20 Unfair Contracts

In respect of:

- i) a contract of employment alleged to be unfair;
- ii) the seeking of relief pursuant to Section 127A of the Workplace Relations Act (Commonwealth) or Section 106 of the Industrial Relations Act (NSW) 1996 or Section 276 of the Industrial Relations Act (Queensland) 1999 or similar legislation in the other states or territories of the Commonwealth of Australia or in New Zealand.

6.21 Strikes, lockouts etc

Brought about by, contributed to by or which involves acts committed during or in connection with any industrial action initiated by an employee representative group including and not limited to unions, any strike action, picket, lockout, go slow or work to rule action.

Section 7

Special provisions for dishonesty and fraud, or fidelity

- a) **We** only provide **Cover** under section 2.6 and extension 4.5 if:
- i. the **Insured** kept a separate trust account for any money misappropriated or stolen and the trust account was audited at least annually by a qualified independent accountant; and
 - ii. all cheques prepared on that trust account are required to be signed by two authorised people; and
 - iii. the **Insured** took all reasonable precautions to prevent any loss and continued to perform all supervision, controls, checks and audits.
- b) There is no **Cover** under this **Policy** for any **Claim** or loss directly or indirectly based upon, or attributed to, or in consequence of any dishonest, fraudulent, criminal or malicious acts or omissions of which an **Insured** had knowledge or had reason to suspect at or prior to the time of such acts or omissions and failed to take any reasonable action to prevent such dishonest, fraudulent, criminal or malicious acts or omissions or any loss arising therefrom.
- c) There is no **Cover** under this **Policy** for any **Insured** who committed or condoned any such dishonest, fraudulent, criminal or malicious acts or omissions.

Section 8

Special provisions for tax investigation costs

We only provide **Cover** under section 2.7 if:

- a) All taxation and other returns are submitted within the time limits prescribed by all relevant statutes and regulations or as required by or on behalf of the Australian Taxation Office or within the extensions of time granted by the Australian Taxation Office.
- b) Upon the **Association** or any other person acting on its behalf becoming aware of any error or deficiencies in any information, return of income or any other documentation furnished to the Australian Taxation Office, the Australian Taxation Office is notified accordingly as soon as reasonably possible.
- c) All taxes are paid by the due date or within any extension granted by the Australian Taxation Office.
- d) A full and complete disclosure of all income including capital gains as required by any legislation is made by the **Association** or any other person acting on its behalf.
- e) All correspondence, requests and inquiries from the Australian Taxation Office are dealt with within reasonable time.
- f) Direct access to the **Accountant** or **Registered Tax Agent** is granted to **Us** and full cooperation by them is given to **Us**.
- g) At **Our** request the **Association** uses reasonable endeavours, to ensure all **Accountant or Registered Tax Agents**, lawyers or other persons or organisations engaged by the **Association** produce to **Us**, without delay, any documents or information or advice in the **Insured's** or their possession which **We** shall reasonably require in connection with any claim made under section 2.7.

Section 9

The Policy limit

The **Policy Limit** applies to any one **Claim** and subject to section 4.1 applies to the total of all **Claims, Loss** or losses or any other payment made in accordance with the **Cover** provided by this **Policy**. The **Policy Limit** does not increase if there is more than one person, or other legal entity insured under this **Policy**, or if more than one **Insured Person** causes or contributes to the **Claim** or **Loss** or losses.

Section 10

Excess

- a) **We** only provide **Cover** to the **Insured** (up to the **Policy Limit**) for that part of the **Claim** above the **Excess** amount stated in Item 7 of the **Schedule**. Such **Excess** applies to each and every **Claim** but excludes all costs, charges and expenses including claims handling expenses.
- b) Where the same **Wrongful Act** results in more than one **Claim** being made against the **Insured**, then only one **Excess** shall apply to all such **Claims** covered by this **Policy**. In the event of a **Claim** being based on separate, different or additional **Wrongful Acts**, then the relevant **Excess** shall apply to each and every **Wrongful Act**.
- c) The **Insured** will be required to also pay the **Excess** for **Defence Costs** in respect of a **Claim** if the **Schedule** states 'Costs Inclusive'.
- d) In the event that a **Claim** is covered in whole or in part under more than one subsection to section 2 of this **Policy**, the **Excess** shall be applied separately to that part of the **Loss** resulting from such **Claim** covered by each subsection and the sum of the **Excess** so applied shall constitute the **Excess** applicable to such **Claim**. However, the total **Excess** shall not exceed the **Excess** amount specified in the **Schedule** as applicable to section 2.1 of this **Policy**.

Section 11

Claim provisions

The following claim provisions apply to all **Claims**, losses, **Loss**, **Tax Audit Costs** or any other payment made in accordance with section 2 of this **Policy** or under any extension thereof. For ease of reference, '**Claim**' under this section shall be deemed to include a reference to all claims, losses, **Loss**, **Tax Audit Costs** or any other payment made under the insuring clauses of section 2 of this **Policy** or under any applicable extension.

11.1 The **Insured** must tell **Us** in writing about a **Claim** covered under section 2 of this **Policy** as soon as reasonably possible and while this **Policy** is in force. If this is not done the **Insured's** right to **Cover** under this **Policy** may be affected.

11.2 Each **Insured** must:

- i) diligently do, allow to be done, everything reasonably practicable to avoid or lessen the **Insured's** liability in relation to a **Claim** otherwise covered by this **Policy**;
- ii) give **Us**, as soon as reasonably possible, the help and information that **We** reasonably require to investigate, defend a **Claim** and to work out our liability under this **Policy**.

11.3 When **We** receive a notification of a **Claim**, or of a fact or circumstance which may give rise to a **Claim** which may be covered under this **Policy**, then **We** can take whatever action **We** consider appropriate to protect **Our** position. This does not, however:

- i) indicate that any **Insured** is entitled to be covered under this **Policy**; or
- ii) in any way jeopardises our rights under the **Policy** or at law.

11.4 The solicitors instructed by **Us** to act on behalf of the **Insured** for any **Claim** are at liberty to disclose to **Us** any information they receive in that capacity, wherever they obtain it from including from the **Insured**. By claiming under this **Policy**, the **Insured** (and any person or entity entitled to **Cover** under this **Policy**) authorises such solicitors to disclose this information to **Us** and waives any claim to legal professional privilege which might otherwise prevent those solicitors from disclosing this information to **Us**.

11.5 **We** can:

- i) take over and defend or settle any **Claim** in the **Insured's** name;
- ii) claim in the **Insured's** name, any right the **Insured** may have for contribution or indemnity or recovery.

11.6 An **Insured** must not:

- i) admit liability for, or settle any **Claim**; or

- ii) incur any costs or expenses for a **Claim** without first obtaining **Our** consent in writing. If **Our** prior written consent is not obtained, the **Insured's** right to **Cover** under this **Policy** may be affected.

11.7 If an **Insured** elects not to consent to a settlement that **We** recommend and elects to contest or continue the legal proceedings, then **We** only cover the **Insured** (subject to the **Policy Limit**) for:

- i) the amount for which **We** could have settled the matter, less
- ii) the relevant **Excess** listed in the **Schedule**, plus
- iii) the **Defence Costs** calculated to the date the **Insured** elected not to consent to the settlement.

11.8 Any money **We** pay to settle anything which might give rise to a **Claim**, is taken to be a payment to settle a **Claim** and a payment for the purpose of calculating the total of all **Claims** under this **Policy**.

11.9 GST basis of settlement

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

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

11.10 Senior Counsel

- i) Unless a senior counsel, that **We** and the **Insured** both agree to instruct, advises that the **Claim** proceedings should be contested, then neither **We** nor the **Insured** can require the other to contest any legal proceedings about a **Claim** if the other does not agree to do so.
- ii) In formulating his or her advice, senior counsel must be instructed to consider the economics of the matter; and the damages and costs likely to be recovered; and the likely costs of defence and the **Insured's** prospects of successfully defending the **Claim**.
- iii) The cost of senior counsel's opinion is to be taken as part of the **Defence Costs**.
- iv) If senior counsel advises that the matter should be settled and if the terms of the settlement which **We** recommend are within limits which are reasonable (in senior counsel's opinion), then the **Insured** cannot subject to section 11.7 object to the settlement and the **Insured** will be required to pay the applicable **Excess** as soon as reasonably possible.

Section 12

General conditions

12.1 The Proposal

The **Proposal We** were given by or on behalf of the **Insured** before this **Policy** commenced is taken to be a separate **Proposal** for each natural person covered under this **Policy**.

12.2 Singular & Plural

Except where the context otherwise requires it, words importing a gender include every other gender, words in the singular shall include the plural and words in the plural shall include the singular.

12.3 Payment in Australian Dollars in Australia

All premiums and **Claims**, losses, **Loss** or **Tax Audit Costs** must be paid in Australian dollars in Australia.

12.4 Law of the Policy

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

12.5 Territory Covered by this Policy

Cover under this **Policy** is not restricted by where anything giving rise to a **Claim** occurred. However, **Our Cover** is restricted to **Claims** brought under the legal jurisdiction of the courts of Australia or New Zealand (or any other country specified in the **Schedule**, under the heading 'Jurisdictional Limits').

12.6 Schedule must be included

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

12.7 Merger or Consolidation

Where the **Association** merges or is consolidated with or becomes a subsidiary of another corporate entity during the **Period of Insurance**, **We** will continue to provide indemnity in respect of the **Association** and their **Insured Persons**, but only in respect of **Wrongful Acts** preceding the time of such merger, consolidation or acquisition.

12.8 Other Insurance

The **Insured** must, as soon as reasonably possible, advise **Us** in writing of any insurance already effected or which may subsequently be effected covering, in whole or in part either absolutely or contingently, the risk or any part of the risk covered by this **Policy**.

12.9 Responsibilities and notification of change of material risk

- a) The **Insured** must as soon as reasonably possible, advise **Us** in writing of a material change in the risk, including but not limited to notifying **Us** if any of the following occurs during the **Period of Insurance**:
 - i. undertaking activities that are materially different from the **Insured Professional Business Practice**;
 - ii. any cancellation or suspension, or loss of or condition imposed, upon any licence, registration or other authority required by the **Insured** to conduct the **Insured Professional Business Practice**; or
 - iii. the **Insured** being insolvent, bankrupt or in liquidation; or
 - iv. the **Insured** ceasing to exist or operate, or is consolidated with, merged into or acquired by another entity.
- b) When **We** receive notification of a change, **We** may decide to either:
 - i. continue **Cover** with no change to the premium payable;
 - ii. reduce the premium payable and return any refund to the **Insured**;
 - iii. charge the **Insured** an additional premium (the **Insured** can cancel the **Policy** if the additional premium is not acceptable); or
 - iv. cancel the **Policy** if permitted in accordance with the provisions of the Insurance Contracts Act 1984.
- c) It is important for the **Insured** to know that **We** may make changes to this **Policy** as a result of a change in information. When there is a change, **We** will inform the **Insured**.
- d) If the **Insured** does not notify **Us** of a material change, **We** may refuse to pay a **Claim** or **Covered Claim** or reduce **Cover** under the **Policy**. **We** may also decide to cancel the **Policy** if permitted in accordance with the provisions of the Insurance Contracts Act 1984.
- e) The course of action **We** take when the **Insured** fails to notify **Us** of a material change will be considered in each circumstance based on what impact or effect the **Insured's** failure to do so caused or contributed to the **Claim** or **Covered Claim** or changes **Our** liability under the **Policy**.

12.10 Cancelling the Policy

a) The Corporation Can Cancel the Policy

The **Association** is entitled to cancel this **Policy** from the date **We** receive a written request to cancel the **Policy**, provided that any such cancellation is subject to the following terms. **We** will be entitled to retain premium for pro-rata "time on risk" plus an administration charge calculated at 12.5% of the pro rata return premium, subject to a minimum administration charge of \$250 plus government charges. (Note stamp duty for mid term cancellation is not refundable in some states).

b) The Insurer can cancel the Policy

- i. (Under Section 60 of the Insurance Contracts Act 1984, **We** may cancel this **Policy** at any time by giving notice in writing to the **Association** of the date from which cancellation is to take effect where the **Association** has:
 - A. Failed to comply with the duty of utmost good faith; or
 - B. Failed to comply with the duty of disclosure at the time when this Policy was entered into, varied, altered, or renewed; or
 - C. made a misrepresentation to **Us** during the negotiations for this **Policy**, but before **We** have agreed to issue this **Policy**; or
 - D. failed to comply with a provision of the **Policy**; or
 - E. failed to pay the premium for this **Policy**; or
 - F. made a fraudulent claim under this **Policy**; or any other contract of insurance (whether with **Us** or another insurer) that provided cover during any part of the **Period of Insurance** of this **Policy**; or
 - G. failed to comply with a requirement in this **Policy** to notify of an act or omission which occurred after this **Policy** was entered into; or
 - H. failed to notify **Us** of any specific act or omission or such notification as required under the terms of this insurance **Policy**.
- ii. Under Section 60 of the Insurance Contracts Act 1984, **We** may cancel this **Policy** at any time where:
 - A. it is in force by virtue of Section 58 of the Insurance Contracts Act 1984; or
 - B. it is an interim contract of general insurance.
- iii. After cancellation pursuant to Clause 12.10 b), **We** will refund the premium for the time remaining on the **Policy**, less any non-refundable duties.

12.11 Authorisation Clause

By acceptance of this **Policy**, the **Association** named in Item 1 of the **Schedule** agrees to act on behalf of the **Insured Persons** with respect to the giving and receiving of notice of cancellation, the payment of premiums and the receiving of any return premiums that may become due under this **Policy** and the acceptance of any endorsements or other notice provided for in this **Policy** and the **Insured Persons** and each of them agree that the **Association** shall act on their behalf.

12.12 Severability & Non Imputation

For the sake of determining cover under this **Policy**:

- a) the written proposal shall be construed to be a separate application for cover by the **Association** and by each of the **Insured Persons** and no statement or representation in or with respect to the proposal by an **Insured Person** shall be imputed to any other **Insured Person**.
- b) this **Policy** shall, subject to General Condition 6.9 (*Non-Accumulation*), be construed to be a separate **Policy** between **Us** and each **Insured Person** and no breach of any term or condition of this **Policy** or other misconduct by any **Insured Person** shall be imputed to any other **Insured Person**.
- c) No fact or knowledge possessed by one **Insured Person** shall be imputed to any other **Insured Person**.
- d) Any fact or knowledge possessed by any past or present director, secretary, officer, trustee or **Committee** member shall be imputed to the **Corporation**.

12.13 Allocation Clause

If a **Claim / Loss / Fidelity Loss / Tax Audit Costs** is covered only partly by this **Policy**, and the parties are unable to agree upon an allocation between insured and uninsured portions, the allocation shall be referred for determination to a Queen's Counsel or senior counsel (to be agreed upon or in default of agreement to be nominated by the Chair or President of the local Bar Council) whose determination shall be binding upon the parties and whose fee shall for the purpose of this **Policy** be regarded as part of the **Defence Costs**. The allocation shall apply also to payments made before the determination.

12.14 Confidentiality Clause

The **Insured** shall not disclose the nature of the liabilities covered by this **Policy** nor the premium specified in the **Policy**, unless required by law or express written permission from **Us** has been obtained prior to any such disclosure.

Section 13

Definitions

Whenever the following words are used in this **Policy** in bold type and with a capital letter, they have the special meanings set out below. These words may appear without bold type in endorsements on the **Policy Schedule**.

13.1 Accountant or Registered Tax Agent

A person who is not an **Insured Person** and is recognised by either the Institute of Chartered Accountants or the Australian Society of Accountants, or any other person registered by the Australian Taxation Office as a tax agent, engaged by the **Association** for the purpose of preparing, or supervising the preparation of, or reviewing prior to dispatch, all returns and statements required by the Australian Taxation Office, in respect of any liability to pay tax by the **Association**.

13.2 Association

The **Association** or other organisation specified in Item 1 of the **Schedule**, including any committee established by the **Insured** for the purpose of conducting the activities or business of the **Association**.

13.3 Claim, Claims

Any originating process (in a legal proceeding or arbitration), cross claim or counter claim or third party or similar notice claiming compensation against and served on an **Insured**.

13.4 Committee

- a) any auxiliary committee, foundation, trust (other than a superannuation trust), or fund raising committee;
- b) any disciplinary, examining or research body or committee;
- c) any sporting or social club committee.

13.5 Cover

Reference to **Cover** under this **Policy** shall mean indemnity.

13.6 Defence Costs

All reasonable costs, charges and expenses (other than regular or overtime wages, salaries or fees of any **Insured Person**) incurred with **Our** prior written consent in defending any **Claim** or representing the **Insured** at an official enquiry or other enquiry as set out in extension 4.6 or pursuant to any other extension provided under this **Policy**.

13.7 Document

Physical document of any nature (other than bearer bonds, coupons, bank notes, currency notes, or negotiable instruments), electronically stored data, software or computer records.

13.8 Employment Practices Claim

Any **Claim** brought by an **Insured Person** against the **Association** as an employer or against any other **Insured Person** arising from:

- a) discrimination against any **Insured Person** 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 **Insured Person**;
- c) workplace harassment (whether sexual or otherwise) of an **Insured Person**;
- d) breach of an implied term of an 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 an **Insured Person**;
- f) wrongful refusal to employ an applicant;
- g) defamation arising from employment-related matters;
- h) misleading misrepresentation or advertising as to the terms and conditions of employment; or
- i) denial of natural justice to an **Insured Person** concerning employment.

13.9 Employee

A natural person who is, or was:

- a) employed under a contract of service with the **Association** and includes a director or other officer of the **Association** who is, or was, so employed; or
- b) a voluntary worker who at the time of the relevant act, error or omission giving rise to the **Claim** covered by this **Policy** was under the **Insured's** direct control and supervision.

13.10 Excess

The amount specified in the **Schedule**.

13.11 Fidelity Loss

Fidelity Loss means direct financial loss caused by the loss of money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes:

- a) owned by the **Association**; or
- b) in the care, custody or control of the **Association** and for which the **Association** is legally liable.

Fidelity Loss does not include wages, salaries, or other remuneration benefits of an **Insured Persons** incurred by the **Association**.

13.12 Gross Premium

The premium amount specified in the **Schedule** or in any endorsement to the **Schedule**, including all charges specified.

13.13 Indemnity Period

The **Period of Insurance** and the extended reporting period if extension 5.1 is in force.

13.14 Insured

The **Association** listed in the **Schedule**, and any **Insured Person** either individually or jointly.

13.15 Insured Person, Insured Persons

Insured Person or **Insured Persons** means:

- a) Any past or present or future director, secretary, officer, trustee, committee member or **Employee** of the **Association** (whether salaried or not); or
- b) Any other natural person, acting on behalf of the **Association** at the direction of an officer or board of directors or committee of management of the Association; or
- c) The estate, heirs, legal representatives or assigns of any deceased, incompetent or insolvent **Insured Person**, provided always that **Cover** under this subsection is limited to the **Cover** which would have been otherwise available to the **Insured Person**.

Insured Person does not mean a liquidator, external auditor, receiver, receiver and manager, official manager, administrator, trustee or person administering a compromise or scheme of arrangement of the **Association** or any employee of such person; or company, entity or other body corporate or trustee, directors, officers or employees of superannuation or pension or organisation.

13.16 Insured Professional Business Practice

The business of provision by the **Insured** of the professional services stated under Item 3 of the **Schedule**.

13.17 Joint Venture

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

13.18 Known Circumstance

Any fact, situation or circumstance which:

- a) the **Insured** was aware of prior to this **Policy** inception; or
- b) a reasonable **Insured** would have considered at any time prior to the **Period of Insurance**, might result in someone making an allegation against an **Insured** in respect of a **Loss** that might be covered under this **Policy**.

13.19 Loss

The amount payable in respect of a **Claim** and shall include damages, judgement, settlements, interest, costs and **Defence Costs**. In respect of **Employment Practices Claim**, this **Policy** will include back-pay where reinstatement of an employee by a court is ordered but excludes any amount which the **Insured** is or was required to pay pursuant to a specific obligation imposed under a contract of employment, employment agreement, statute, award or otherwise.

13.20 Non Profit Organisation

Any company, entity, body, committee, council, club, association, trust or other enterprise whether incorporated or unincorporated that is exempt from the payment of income tax under State or Federal law and is not a subsidiary company of the **Association**.

13.21 Outside Directorship

The position of director, officer, secretary, trustee or equivalent position held by an **Insured Person** in a **Non Profit Organisation** at the request or direction of the **Association**.

13.22 Period of Insurance

The **Period of Insurance** specified in Item 5 of the **Schedule**.

13.23 Policy

The Insurance **Policy** is made up of:

- a) this **Policy** document;
- b) the **Schedule** to this **Policy**;
- c) the endorsements attaching to and forming part of this **Policy**, either at inception or during the **Indemnity Period**;
- d) the information given to **Us** by or on behalf of the **Insured** in the **Proposal** and in any other way.

13.24 Policy Limit

The limit stated in Item 7 of the **Schedule** under 'Total Sum Insured'.

13.25 Proposal

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

13.26 Schedule

The schedule attached to this **Policy**.

13.27 Specific Cover Limit

The maximum **We** will pay and/or the limit of **Our** insurance **Cover** for all **Claims, Loss** or losses first made against the **Insured** and notified in writing to **Us** during the **Period of Insurance** under each section listed in the **Schedule** under 'Specific Cover Limits'.

Section 14

Important Information

How CGU protects your privacy

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

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

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

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

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

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

13.28 Spouse

The legally recognised spouse of the **Insured Person**.

13.29 Tax Audit Costs

Any fees, charges or disbursements of an **Accountant or Registered Tax Agent** or any other consultant who is not an **Insured Person** engaged by or replacing the **Accountant or Registered Tax Agent**, for work undertaken in connection with the audit or investigation.

13.30 Tax Audit Notice

Any notification from the Australian Taxation Office relating to the **Association's** liability to pay income tax, fringe benefits tax, capital gains tax, A New Tax System (goods and services) tax, superannuation payments tax, termination payments tax, or sales tax (including the amount of any such tax) only.

13.31 Terrorism

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

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

13.32 We or Us or Our

CGU Professional Risks, Insurance Australia Limited
ABN 11 000 016 722 trading as CGU Insurance.

13.33 Wrongful Act

Any actual or alleged breach of duty, breach of trust, neglect, error, omission, misstatement, misleading statement, or other act wrongly committed or wrongly attempted by any **Insured Person**, individually or otherwise, in the course of his/her duties to the **Association**.

General Insurance Code of Practice

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

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

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code.

Our Commitment to you

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

Our service commitment

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

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

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

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

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

Intermediary remuneration

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

Interest on unallocated premium

If we are unable to issue your insurance when we receive your application, we are required to hold your Premium in a trust account on your behalf until your insurance can be issued. We will retain any interest payable by our bank to meet, among other things, bank fees and other bank costs we incur in operating the account.

CONTACT DETAILS

ENQUIRIES 13 24 81
CLAIMS 13 24 80

MAILING ADDRESS
GPO BOX 9902 IN YOUR CAPITAL CITY

[CGU.COM.AU](https://www.cgu.com.au)

SYDNEY

GPO Box 244
Sydney
NSW 2001

MELBOURNE

181 William St
Melbourne
VIC 3000

BRISBANE

189 Grey St
South Bank
QLD 4101

PERTH

46 Colin St
West Perth
WA 6005

ADELAIDE

80 Flinders St
Adelaide
SA 5000



Insurer
Insurance Australia Limited
ABN 11 000 016 722 AFSL 227681
trading as CGU Insurance