

Alternative/Complementary Medicines and Therapies Insurance Policy



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Contents

Important Notices	2
Cooling off period	2
Duty of Disclosure	2
Privacy Statement	2
Subrogation	3
Code of Practice	3
About your insurance policy	3
Amount to be paid	4
Cross liabilities	4
Making a complaint	4
General Definitions	5
Section A – Public Liability	9
Exclusions applicable to Section A	9
Section B – Products Liability	10
Exclusions applicable to Section B	11
Exclusions applicable to Sections A & B	11
Section C – General Property	13
Section D – LegalPower®	14
Conditions applicable to Section D	15
What we pay for a claim for legal costs and expenses	16
Exclusions applicable to Section D	17
Section E – Tax Probe®	19
Exclusions applicable to Section E	20
General exclusions	22
General conditions	24

Important Notices

Cooling off period

You have the right to cancel and return the insurance policy by notifying us in writing within 20 days of the date it was issued to you ("cooling off period"), unless you make a claim under the policy within the cooling off period. If you cancel it in this time, we will return the amount you have paid.

In addition, if you varied your policy and added a section, you have the right to cancel that section within 20 days of the date it was added by notifying us in writing ("additional cooling off period") unless you make a claim under that section within the additional cooling off period. If it is cancelled in this time, we will return the amount you have paid for that section.

To cancel at other times, please see "Cancellation" in the General Conditions of your policy wording.

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.

It is important that you understand you are disclosing to us and answering our questions for yourself, any other insured and anyone else you want to be covered by the policy.

Your duty however does not require disclosure of matter:

1. that diminishes the risk to be undertaken by the insurer;
2. that is of common knowledge;
3. that your insurer knows or, in the ordinary course of his business, ought to know;
4. 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 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.

Privacy Statement

The Privacy Act 1988 (Cth) (as amended) requires us to inform you that:

Purpose of collection

We collect personal information (*this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person*) from or about you, for the purpose of:

- (a) providing insurance services to you;
- (b) evaluating your application;
- (c) evaluating any request for amendment to any insurance provided;
- (d) issuing, administering and managing the insurance provided following acceptance of an application; and
- (e) investigating and, if covered, managing claims in relation to any insurance you have with us or other companies within the Promina Group.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose. However for sensitive information, the secondary purpose must be directly related to the purpose listed above.

Disclosure

When necessary and in connection with the purposes listed above, we may disclose your personal information to, and/or receive some personal information from:

- (a) other companies within the Promina Group;
- (b) your intermediary or our agent;
- (c) government bodies, loss assessors, claims investigators, reinsurers;

- (d) other insurance companies, mailing houses, claims reference providers, legal and other professional advisers;
- (e) other service providers, hospitals, medical and health professionals.

Consequences if information is not provided

If you do not provide us with the information we need we will be unable to administer your policy or manage any claim under your policy.

Access

You can request access to the personal information by contacting us at Vero Insurance Limited, 465 Victoria Avenue, Chatswood NSW 2067.

In some circumstances we may not agree to allow you access to some or all of the personal information we hold such as when it is unlawful to give it to you. In such cases we will give you reasons for our decision.

Subrogation

We are entitled to prosecute to the extent of the law for our own benefit and in your name any claim for indemnity or damages.

You must co-operate with us fully in any proceedings which we may take and we shall have full discretion in the conduct of these proceedings and in the settlement of any claim.

Code of Practice

We have adopted the General Insurance Code of Practice developed by the Insurance Council of Australia (ICA). The Code is designed to promote good relations and good insurance practice between insurers, authorised representatives and consumers.

The Code sets out what we must do when dealing with you. Please phone us if you want more information about the Code.

About your insurance policy

Words with special meaning

You/your means the policyholder named in the **schedule**.

In relation to Sections A and B only, the term "you" is extended to include:

- your personal representatives in the event of your death but only in respect of liability incurred by you; or
- any principal of yours, in respect of the vicarious liability of such principal for your acts or omissions, arising out of the performance by you of any contract or agreement entered into by you for the performance of work for such principal to the extent required by such contract or agreement; or
- any officer, committee or member of your own canteen, sports, social and welfare organisations, and any member of your own fire, first aid, medical or ambulance services (not being a qualified medical practitioner); or
- any director of yours or **employee** but only for liability in respect of which you would have been entitled to indemnity if the claim had been made against you; or
- any director or senior executive of yours in respect of private work undertaken by your employees for such director or senior executive.

We/our/us means Vero Insurance Limited ABN 48 005 297 807.

Some other words used in this policy have special definitions. These words are in **bold** (although as noted below, some of the definitions may not be relevant for the sections you have chosen). Most of the words we have defined are listed in the "Definitions" section on pages 5 to 8 of this policy. We also explain the meaning of some words in the sections themselves.

Where headings are used in this policy they are purely descriptive in nature and are not intended to be used for interpretive purposes.

The policy, **endorsements** and the **schedule** shall be read together as one contract and any word or expression given a specific meaning in any part has the same meaning wherever it appears.

You having paid or agreed to pay to us the premium shown in the schedule for the initial period of insurance or a premium as advised by us as applying to any subsequent period, we will provide insurance described in each section subject to the terms and conditions, exclusions and **endorsements** of this policy. The sections available are public liability, products liability, general property, legal power and tax probe.

Amount to be paid

You must pay the amount to us when you first take out your policy and each year when you accept any offer we make to renew your policy. This amount is made up of:

1. Premium calculated by us; plus
2. Goods and Services Tax; and
3. Statutory charges imposed by Government, such as stamp duty.

If you change your policy in any way you may be entitled to a premium refund or you may be required to pay an additional amount.

Cross liabilities

Any claim made by one party against another party named in the **schedule** shall be treated as though the party so claiming is not a policyholder. Where more than one party is described as policyholder each such party shall constitute a separate policyholder for the purpose of this clause.

Provided that nothing contained in this clause shall operate to increase the **insured amount** shown in the **schedule**.

Making a complaint

Resolving your complaints

If you think we have let you down in any way, or our service is not what you expect, please tell us so we can help.

You can tell us . . .

By phone

We will put you in contact with an appropriate person to deal with your complaint.

In writing

Please send us the full details of your complaint together with any supporting documents and an explanation of what you want us to do. Your letter or email will be directed to the appropriate person.

In person

If you would like to come in to talk to us at your local or state branch, please call and we will arrange an appointment for a meeting.

What we will do to resolve your complaint

When you first let us know about your complaint:

- (a) it will be handled by the person who has authority to deal with it, and
- (b) this person will listen to you, consider the facts and contact you to resolve your complaint as soon as possible, usually within 24 hours.

If you are not satisfied with this person's decision about your complaint, then it will be referred to the relevant manager, who will contact you within 5 working days.

If you are not satisfied with our decision, then it will be referred to our General Management in Head Office who will consider all aspects of your complaint.

We will then send you our final decision within 15 working days from the date you first made your complaint.

If your complaint remains unresolved

We expect our procedures will deal fairly and promptly with your complaint. However, if you are not satisfied with our final decision you can choose to have the matter resolved externally, for example, mediation, arbitration or legal action.

You can also raise your complaints directly with Insurance Enquiries and Complaints Ltd (IEC). This is an independent body and its services are free to you. We agree to accept the IEC's decision. Again, you have the right to take legal action if you disagree with the IEC's decision.

You must contact the IEC within 3 months of receiving our final decision.

You can phone the IEC from anywhere in Australia on 1300 780 808 or write to them at:

Insurance Enquiries and Complaints Ltd
PO Box 561
Collins Street West
Melbourne VIC 8007

General Definitions

1. 'Act of terrorism'

means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), 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 and/or to put the public, or any section of the public, in fear.

2. 'ADR'

means any form of alternative dispute resolution (not including any form of dispute resolution provided or ordered by courts, tribunals or other statutory bodies) which is agreed between us and you as appropriate for a particular **commercial dispute**.

3. 'ADR Clause'

means a clause embodied in your written contracts in the following terms or in substantially those terms as approved by us:

"If any dispute arises in relation to this contract, the parties must, before instituting any legal proceedings, use their best endeavours to resolve the dispute and must participate in good faith in alternative dispute resolution presided over by a **mediator** agreed to by both parties."

4. 'Appointed legal practitioner'

means the solicitor appointed to act for you, with our approval.

5. 'Attendance expenses'

means in relation to Section D, the salary or wages of an **insured employee** for the period he or she is absent from work to attend either as a witness on your behalf or on behalf of another **insured employee** and at the request of the **appointed legal practitioner**, or as a defendant at a court, tribunal or arbitration hearing as the case may be or as a jury member for each half or whole day of such attendance to the extent that they are not recoverable from the court, tribunal or arbitration hearing or from the other side in the case or action; they must be calculated on the basis that:

- (i) the period of absence from work includes the time taken to travel to and from the hearing and shall be calculated to the nearest half day taking an eight hour day to be a whole day for this purpose and as the maximum period for which a claim can be made in respect of one day;
- (ii) for any full time **insured employee** one whole day's salary or wages equals 1/250th of the **insured employee's** annual salary or wages at the time of such attendance;
- (iii) for part time **insured employee** the salary or wages for the period of absence from work shall bear the same proportion to their weekly salary or wages as the period of absence from work to their normal working week for you.

6. 'Auditor'

means an officer who is authorised under Commonwealth, State or Territory legislation to carry out an **audit** of your taxation or financial affairs or a **designated liability**.

7. 'Commercial dispute'

means a dispute between you and any other party arising out of or in connection with **the business**.

8. 'Concluded decision'

written notification of the **auditor's** concluded views in connection with a **designated liability** and includes any written statement which is intended by the **auditor** to be its findings in connection with a **designated liability** or the basis upon which it proposes to act in connection with a **designated liability**.

9. 'Damage to property'

means physical damage to or destruction of tangible property including the resultant loss of use but does not include **electronic data**.

10. 'Designated liability'

means your obligation to pay an amount under Commonwealth, State or Territory legislation.

11. 'Electronic data'

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

12. 'Employee or employees'

means any person engaged under a contract of service or apprenticeship with you, including students.

13. 'Endorsement'

means any amendment to the policy wording or policy limits as specified in a document attached to the policy or stated in the **schedule**.

14. 'Excess or excesses'

means the first amount of each and every claim that shall be paid by you as shown in the **schedule**. Where more than one **excess** is applicable due to the provisions of different sections of the policy, but all **excesses** relate to the same incident, only the highest **excess** is applicable.

15. 'Financial Loss'

means pecuniary loss sustained by a legal entity other than you but shall not include such loss:

1. arising from **personal injury** or **damage to property**; or
2. arising from any act of fraud or dishonesty; or
3. in respect of which you have at any time by deed agreement foregone, limited or excluded a right of recovery.

16. 'Insured amount'

means the relevant amount shown in the **schedule**.

17. 'Insured employee'

means all of your **employees**, including directors, business partners and managers.

We will treat any statement, claim act or omission by any one of the insured persons as a statement, claim, act or omission by all of them.

18. 'Insured property'

means:

1. **unspecified items**;
2. **specified items**;

but only if shown in the **schedule** and whilst located within Australia.

19. 'Legal costs and expenses'

means costs and disbursements reasonably and properly charged or incurred by the **appointed legal practitioner** or by any **mediator** appointed by any **ADR** body in accordance with any applicable statutory or court scale of fees.

20. 'Mediator'

means an independent third party who assists in the resolution of a **commercial dispute**.

21. 'Occurrence'

means an event, including continuous or repeated exposure to substantially the same general conditions, which results in **personal injury** or **damage to property** (or, in relation to Section B – Products Liability only, **financial loss**) neither expected nor intended by any of the persons involved.

22. 'Opponent's legal costs'

means the legal costs incurred by other parties in civil cases to the extent that you or the **insured employee** are held liable in court proceedings to pay those costs or otherwise become liable to pay them as the result of filing a notice of discontinuance of the proceedings or under settlement made with the other party with our prior approval.

23. 'Period of insurance'

means the period shown in the **schedule**.

24. 'Personal injury'

means:

1. bodily injury, death, sickness, disease, disability, shock, fright, mental injury; and
2. the effects of:
 - (a) false arrest, false imprisonment, wrongful eviction, wrongful detention and humiliation;
 - (b) libel, slander, defamation of character or invasion of right of privacy; and
 - (c) assault and battery not committed for the purpose of preventing or eliminating danger to persons or property.

25. 'Prescribed goods and services tax returns'

means any return required to be lodged by you in accordance with Goods and Services Tax legislation.

26. 'Products'

means anything, including any packaging or container thereof, as described in the **schedule** (after it has ceased to be in the possession or under the control of you) manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, resupplied or distributed in or from Australia or its external territories by you in the course of **the business** and also includes:

1. directions, markings, instructions or warnings given or omitted to be given in connection with such **products**, and
2. anything in respect of which you are deemed to be the manufacturer by operation of a law of Australia or its external territories; and
3. any act error or omission in the provision of professional advice, treatment or services in the course of **the business** and provided that:
 - (a) you are qualified to prescribe or administer such professional advice, treatment or services; and
 - (b) the treatment or services are shown in the **schedule**.

27. 'Professional adviser'

means:

- (a) an accountant who is a member of a nationally recognised accounting body, a registered tax agent or a tax consultant;
- (b) any other professional person or consultant engaged by or at the recommendation of the accountant with our prior written approval, but does not mean you or any person working for you under a contract of employment.

28. 'Professional fees'

means reasonable and necessary fees, costs and disbursements incurred in connection with an **audit** that would be payable by you to your **professional adviser** for work undertaken in connection with an **audit**, but does not mean or include fees, costs and disbursements which:

- (a) form part of an annual or fixed fee or cost arrangement; or
- (b) relate to any subsequent objection or appeal or request for review in respect of the **audit**, or any assessment, amended assessment or **concluded decision** of the **auditor**; or
- (c) was rendered by a third party in relation to which our written consent was not obtained before those fees were incurred; or
- (d) relate to or are associated with the preparation of any accounts, financial statements and/or documents or to any attendance or service which would have been or would or should ordinarily or prudently have been prepared prior to or at the time that the lodgement of any return and/or document was required to be lodged in connection with a **designated liability**.

29. 'Property in possession or control'

does not mean:

1. premises (including fixtures and fittings) leased or rented to you provided that:
 - (a) such premises are described in the **schedule**;
 - (b) you shall be responsible for the first \$250 in respect of loss or damage caused other than by fire or explosion in addition to any other **excess** shown in the **schedule**.
2. **vehicles** whilst within a free car park provided by you for the use of customers visitors or **employees** and which are not owned by you or used in connection with **the business**. This cover is limited to the amount of your liability for such damage as is irrecoverable from any other source and for which you would have no indemnity but for this extension of this policy.
3. (a) personal possessions of directors, **employees** or visitors;
 - (b) premises (and their contents) not owned or rented by you but which are temporarily occupied by you for the purpose of carrying out work in connection with **the business**.

30. 'Record keeping audits'

means an **audit** by the Australian Taxation Office which is aimed at determining the extent of your compliance with the record keeping requirements of relevant taxation legislation.

31. 'Schedule'

means the schedule attached to and forming part of the policy(s) or if the policy(s) has been renewed the **schedule** issued with the renewal notice.

32. 'Specified items'

means an item owned by you and shown in the **schedule**.

33. 'Territorial limits'

shall mean:

1. anywhere within Australia including its external territories;
2. elsewhere in the world but only:
 - (a) in respect of non-manual work carried out by you provided that at the time of carrying out that work you were normally resident within Australia or its external territories.
 - (b) in respect of **products** supplied from Australia or its external territories, but the indemnity granted in relation to such **products** shall not apply to claims in respect of **personal injury** or **damage to property** (or, in relation to Section B – Products Liability only, **financial loss**) happening:
 - in any country on the continent of North America; or
 - in the states or territories incorporated in or administered from or by North America; or
 - to claims arising in any country, state or territory (outside Australia or its territories) where the law of such country, state or territory requires that liability in respect of such **products** to be insured or secured with an insurer or organisation which is licensed in that country, state or territory to grant such insurance or security.

34. 'The business'

means the business described in the **schedule**, including the ownership of any premises shown in the **schedule**, and includes:

1. the provision of sports social and welfare organisations and fire first aid medical and ambulance services by you.
2. private work undertaken by your **employees** for any director or senior executive of your **employees** for any director or senior executive of yours.
3. the carrying out of alterations or additions with a cost of not more than \$50,000 to or demolition to a cost of not more than \$20,000 of your business premises to which this policy applies.
4. the deeming of 'you 1.3' to be a manufacturer of Products by operation of a Law of Australia or its external territories.

35. 'Unspecified items'

means unspecified tools of trade, but excluding mobile phones, up to a limit of \$1,000 for each item or in the aggregate the **insured amount** shown in the **schedule**.

36. 'Vehicle'

means any type of machine on wheels or on self-laid tracks made or intended to be propelled by other than manual or animal power and any trailer made or intended to be drawn by any such machine whilst attached to it.

Section A – Public Liability

Compensation

1. Subject to the **insured amount** shown in the **schedule** under Section A – Public Liability, we will indemnify you in respect of all sums which you become legally liable to pay as compensation for:
 - (a) **personal injury** to any person other than you,
 - (b) **damage to property** other than:
 - (i) property belonging to you; or
 - (ii) **property in possession or control** of you;sustained within the **territorial limits** as a result of an **occurrence** during the **period of insurance** and in connection with **the business** less the amount of the **excess** shown in the **schedule** as applicable to Section A – Public Liability.

2. And in addition we will pay:

Legal Costs

- (a) **legal costs and expenses** incurred with our written consent;

Solicitors Fees

- (b) legal costs for representation of you by the **appointed legal practitioner** at any coroner's inquest or in any court of summary jurisdiction;

Claimant's Costs

- (c) **opponent's legal costs**
all of which must be incurred in connection with claims for compensation which if sustained would be indemnifiable under this section.

Exclusions applicable to Section A

We will not be liable for:

Defective work

1. the cost of performing, completing, correcting or improving any work done or undertaken by you.

Aircraft & watercraft

2. **personal injury or damage to property** caused by or in connection with the ownership possession or use by or on behalf of you of any vessel or craft (other than a hand propelled boat or pontoons) made or intended to be water borne or air borne.

Mechanically propelled vehicles

3. claims arising directly or indirectly from or in connection with the ownership, possession or use by you of any **vehicle** which is registered or required to be insured under any law which applies to its use (hereinafter referred to as 'Statutory Insurance').

However this Exclusion will not apply if you incur liability which arises from:

- (a) the delivery or collection of goods to or from any **vehicle** where **personal injury or damage to property** occurs beyond the limits of any public carriageway or thoroughfare; or
- (b) the loading or unloading of or the delivery or collection of goods to or from any **vehicle** used in work undertaken by or on behalf of you but not in the physical or legal control of you; or
- (c) the use of any **vehicle** as a tool of trade.

Provided:

- (a) that such liability did not arise in circumstances for which indemnity should be provided under any form of Statutory Insurance whether such insurance was effected or not.
- (b) in the event you are entitled to indemnity pursuant to a separate policy of liability insurance or motor vehicle insurance more specifically providing cover in respect of such liability, we will not be liable for claims under the policy except to the extent that your liability on any such claim exceeds the amount of cover payable under such other policy.

Products

4. **personal injury** or **damage to property** caused by **products** other than **personal injury** or **damage to property** caused by food or beverages sold or supplied by you as a service to visitors for consumption on **the business** premises.

Professional duty

5. claims arising directly or indirectly from any breach of a duty owed in a professional capacity by you, or claims arising from another person's breach of professional duty for which you may be legally liable. This exclusion does not apply to first aid, medical or ambulance services provided by you.

Removal or weakening of support

6. claims arising directly or indirectly in respect of damage to land or fixed property caused by vibration or the removal or weakening of support to land buildings or any other property, except those claims which arise from alterations or additions to buildings owned or occupied by you which alterations or additions do not exceed in total cost the sum of \$500,000 or 10% (ten per cent) of the **insured amount** applicable to this section, whichever is the lesser.

Section B – Products Liability

7. a claim under Section A – Public Liability when a claim is also made under Section B – Products Liability in respect of the same **occurrence**.

Policy Extension applicable to Section A

Property in control

Unless a higher **insured amount** is shown in the **schedule**, we will indemnify you up to a maximum of \$10,000 in any one **period of insurance**, which you become legally liable to pay compensation for loss or damage to property being all forms of tangible property other than land or buildings, not belonging to you, but in your possession or control.

Section B – Products Liability

Compensation

1. Subject to the **insured amount** shown in the **schedule** under Section B – Products Liability, we will indemnify you in respect of all sums which you become legally liable to pay as compensation for:
 - (a) **personal injury** to any person other than you;
 - (b) **damage to property** other than:
 - (i) property belonging to you; or
 - (ii) **property in possession or control** of you;
 - (c) **financial loss**
sustained within the **territorial limits** as a result of an **occurrence** and during the **period of insurance** and caused by **products** less the amount of the **excess** shown in the **schedule** as applicable to Section B.
2. And in addition we will pay:

Legal Costs

- (a) **legal costs and expenses** incurred with our written consent;

Solicitors Fees

- (b) legal costs for representation of you by the **appointed legal practitioner** at any coroner's inquest or in any court of summary jurisdiction;

Claimant's Costs

- (c) **opponent's legal costs**

all of which must be incurred in connection with claims for compensation which if sustained would be indemnifiable under this section.

Exclusions applicable to Section B

We will not be liable for:

Aircraft products

1. claims in respect of **personal injury** or **damage to property** or **financial loss** caused by or arising from **products** intended specifically for and installed in aircraft or other aerial device or caused by or arising from **products** which you knew would be so installed where such **products** are essential to operation or navigation of an aircraft or other aerial device.

Recall, Repair or replacement

2. the cost of recalling, replacing or repairing **products** or of making any refund on the price paid for **products**.

Essential oils

3. claims arising from the internal application or ingestion of essential oils.

Skin penetration

4. claims arising from any instrument having need to contact or penetrate skin tissue unless the instrument has been used once only or sterilised before re-use in accordance with respective State Health Regulations and/or Commonwealth Health Regulations as laid down from time to time.

Exclusions applicable to Sections A & B

We shall not be liable for:

Pollution

1. **personal injury** or **damage to property** or **financial loss** caused by contamination or pollution by any trade waste, smoke, soot, fumes, liquids, gases or other substances discharged, dispersed, released or which have escaped into or upon land, the atmosphere or any watercourse or body of water unless such discharge, dispersal, release or escape is instantaneously caused by a sudden, unexpected and unintended happening. Any expenses for the prevention of such contamination or pollution shall not be recoverable under this policy in any circumstances.

Provided that our liability for all compensation payable in respect of all **personal injury** or **damage to property** or **financial loss** arising from such contamination or pollution as may be insured hereby and happening during any one **period of insurance** shall not exceed in the aggregate the **insured amount** stated in the **schedule** as being applicable to Section B – Products Liability.

Asbestos

2. **personal injury** or **damage to property** or **financial loss** caused by or arising directly or indirectly from or in connection with:
 - (a) any mining, handling, processing, manufacture, sale, transportation, distribution, or storage of asbestos, asbestos products or asbestos contained in any products; or
 - (b) any installation, removal or treatment of asbestos materials.

Liability under agreement

3. any liability assumed by you under agreement unless such liability would have attached in the absence of such agreement or is specifically allowed with our prior written consent.

Loss of use

4. compensation claimed for the loss of use of property which has not been physically damaged or destroyed resulting from:
 - (a) a delay in or lack of performance by or on behalf of you of any contract or agreement; or
 - (b) the failure of **products** or work performed by or on your behalf to meet the level of performance, quality, fitness or durability warranted or represented by you, unless such failure consists of loss of or damage to or breakage or disintegration of **products** or work performed by or on your behalf after such **products** or work have been put to use by any person or organisation other than you.

Penalties liquidated damages

5. any amount by way of aggravated or punitive damages or in respect of liquidated damages or incurred under a penalty clause or in respect of infringement of copyright or patent.

Defamation

6. claims arising from the publication or utterance of a libel or slander or defamation of character:
 - (a) made prior to commencement of the **period of insurance**;
 - (b) made at the direction of you with knowledge of the falsity thereof; or
 - (c) related to advertising, broadcasting or telecasting activities or publication of newspapers, journals, or periodicals conducted by or on your behalf.

Blood conditions

7. claims arising from any condition directly or indirectly caused by or associated with Human Immunodeficiency Virus (HIV) or Lymphadenopathy Associated Virus (LAV) or the mutants derivatives or variations thereof in any way related to Acquired Immune Deficiency Syndrome (AIDS) or any Syndrome or condition of a similar kind.

Injury to employees

8. any claim in respect of or arising from **personal injury** to any **employee** arising out of or in the course of his/her employment.

Workers' compensation & industrial awards

9. liability imposed by the provisions of any Workers' or Workmen's Compensation legislation or any Accident Compensation legislation or any industrial award or agreement or determination.

Waiver of subrogation

10. any liability arising from any waiver of rights of subrogation recovery or recourse against any other person existing prior to or undertaken after the happening of an **occurrence** to which such waiver applies.

Spinal manipulation

11. any claim directly or indirectly from any manipulation or adjustment of the cervical spine.

Policy Extension applicable to Sections A and B

Advanced legal costs and expenses for alleged Molestation

Without limiting General Exclusion 11, we will advance you **legal costs and expenses** up to \$50,000 in any one **period of insurance** for any claim made against you alleging molestation, the interference with, the mental abuse of or the physical abuse of any persons during the **period of insurance** which arises in connection with the **business**, provided that:

- (a) we may at any time refuse to advance you **legal costs and expenses** if in our sole opinion we believe that the allegation will be proved; and
- (b) if a court of law, arbitration panel, tribunal or other judicial body determines that the allegation is proved, you agree to repay us the **legal costs and expenses** advanced to you.

Section C – General Property

Cover

We will pay for damage to the **insured property** provided that such damage occurs during the **period of insurance** and is caused by an **insured event**.

The amount we will pay will be determined in accordance with the Basis of Settlement, subject to the policy limits.

This policy is subject to the General Exclusions and General Conditions.

Insured Event

means any unintended damage to **insured property** resulting from any cause excluding:

1. the sea (which includes any ocean, bay, port, and/or tidal water);
2. flood;
3. earthquake, subterranean fire or volcanic eruption;
4. spontaneous combustion, fermentation or heating;
5. persons taking part in riots, civil commotions or labour disturbances, or persons of malicious intent acting on behalf of or in connection with any political organisation;
6. wear and tear, denting, scratching, any process of cleaning, repairing or restoring any article or the application of electrical energy, action of light or atmospheric conditions, moth, vermin, corrosion or any other gradually operating cause;
7. theft from any road vehicle (other than a vehicle used for public transport or a tourist coach);
 - (a) unless the vehicle is fully enclosed and all doors windows and other openings, windscreen and boot if used are left closed and securely locked; and
 - (b) unless the vehicle has been broken into by violent and forcible means;
8. theft from the open air.
9. theft committed by any member of your family or by any person who would benefit by this insurance;
10. theft committed by any person whilst lawfully at the premises at which the **insured property** is situated;
11. delay, confiscation or detention by customs or other lawful authority;
12. any **damage to property** discovered more than 30 days after the **occurrence** of such loss, damage or destruction;
13. mechanical or electrical breakdown or derangement;
14. tools of trade whilst they are being used.

Basis of settlement

We will pay the cost of repair, replacement or reinstatement of the **insured property** to a condition substantially the same as but not better or more extensive than its condition when new.

Where a **specified item** consists of articles in a pair or set and one or more of those articles but not the pair or whole set are lost, damaged or destroyed our liability shall not be more than a proportion (being the number of articles lost or damaged divided by the number of articles in the set) of the total value or, if separately specified, the **insured amount** of the pair or set.

Policy limits

We will not pay:

1. for **unspecified items**, more than \$1,000 for any one item or in the aggregate the **insured amount**; shown in the **schedule** in any one **period of insurance**;
2. for **specified items**, more than the **insured amount** shown in the **schedule** in any one **period of insurance**;
3. the amount of any **excess** shown in the **schedule**.

Section D – LegalPower[®]

Cover

Subject to the **insured amount** shown in the **schedule** under Section D – LegalPower[®] we will indemnify you in respect of **legal costs and expenses** if:

- (a) “LegalPower[®]” is shown in the **schedule**;
- (b) there are reasonable grounds for pursuing or defending the legal proceedings;
- (c) it is reasonable for **legal costs and expenses** to be provided in the particular case;
- (d) you have used your best endeavours to include an **ADR clause** in all contracts relating to **the business**;
- (e) the dispute is covered by the **insured events** specified in this section;
- (f) the dispute occurs within the **period of insurance**;
- (g) the dispute occurs within Australia;
- (h) the legal proceedings take place in Australia;
- (i) the legal proceedings apply only Australian law;
- (j) the dispute is not excluded by any of the Exclusions applicable to Section D;
- (k) the dispute is not excluded by any of the General Exclusions in the policy;
- (l) you have complied with the Conditions applicable to Section D; and
- (m) you have complied with the General Conditions of the policy.

Insured Events

means:

1. Employment

i. Contract disputes

A dispute arising from a contract or alleged contract of employment with an **employee**, ex-employee or a prospective employee.

ii Acts or omissions of employees

A dispute arising from any act or omission or alleged act or omission of you or an **insured employee** arising out of or in the course of their normal employment in **the business** which leads to:

- ▼ their prosecution in a court of criminal jurisdiction;
- ▼ civil proceedings being taken against them under any anti-discrimination legislation;
- ▼ civil proceedings being taken against them as trustee of any superannuation fund.

2. Employers prosecution defence

Any act or omission which leads to your prosecution in a court of criminal jurisdiction but does not mean a prosecution for the defence of which cover is provided in paragraphs 1 or 5.

3. Contract disputes

A dispute concerning a contract for the buying, renting, or supply of goods or services in relation to **the business**.

4. Property dispute

A dispute arising from:

- (a) loss of or damage to land and/or buildings owned by you or for which you are responsible for the purpose of **the business**, or
- (b) loss of or damage to goods owned by you or for which you are responsible whilst contained in or on that land and/or buildings

but not,

- ▼ any dispute arising under a contract.
- ▼ any dispute arising from goods lent, leased or hired to third parties.
- ▼ any dispute arising from goods at premises not occupied by you unless they are there for the purposes of installation or use in work to be carried out by you.

5. Trade Practices Act dispute

A dispute arising from:

- (a) the operation of the Trade Practices Act 1974

(b) any act or omission arising out of the Trade Practices Act 1974 which leads to the prosecution in a court of criminal jurisdiction of:

- ▼ you;
- ▼ an **insured employee**.

6. Right to practice

A dispute in relation to your legal right to practice in terms of the rules and by-laws of the Association of which you are an associated member but does not mean any matter covered by **insured events** 1, 2, 3, 4 or 5.

7. Attendance for jury service

The attendance of you or an **employee** for jury service.

Conditions applicable to Section D

1. Claims consent

- (a) You must obtain and forward to us upon our request and at your expense a written opinion from your legal practitioner, and where necessary counsel, on the merits of the claim or legal proceedings. If the claim is subsequently admitted by us your costs in obtaining these opinions will be covered under this section.
- (b) If we either refuse to accept or discontinue a claim we will tell you our reasons. If you commence or continue the claim or legal proceedings and are successful we will pay **legal costs and expenses** as if we had given our consent in the first instance provided that the reason or reasons we refused to accept or discontinued the claim were not related to a policy exclusion, compliance by you with a policy condition or that the claim fell outside the cover provided by the policy.

2. Representation

- (a) Upon making a claim you may either ask us to nominate a legal practitioner to act for you or nominate a solicitor of your choice.
- (b) If you ask, we will recommend the appointment of a legal practitioner and you will instruct that legal practitioner accordingly.
- (c) We reserve the right to refuse your nomination of a legal practitioner without giving any reason and prior to our acceptance of your nomination of a legal practitioner we may make any enquires we deem appropriate with respect to that legal practitioner.
- (d) We reserve the right to instruct you to terminate the services of the **appointed legal practitioner** if it is in your interests to do so. You must terminate the services of the **appointed legal practitioner** and a new legal practitioner shall be appointed to act for you either nominated by you or appointed by us as referred to above and will then become the **appointed legal practitioner**.
- (e) We reserve the right through our employees, agents or legal practitioners to take over and conduct in your name the pursuit, defence or settlement of any claim or legal proceedings including any appeal. You must co-operate with us fully in any proceedings which we may take and we will have full discretion on the conduct of these proceedings and in the settlement of any claim.
- (f) Before we accept your nomination of a legal practitioner or if you fail to nominate a legal practitioner we shall be entitled but not bound to instruct a legal practitioner on your behalf if we consider this necessary to safeguard your immediate interests.

3. Control of claim

- (a) We must have direct access to the **appointed legal practitioner** at all times. You must co-operate fully with us in all respects and keep us fully and continually informed of all material developments in the legal representation or proceedings. If we ask, you must instruct the **appointed legal practitioner** to produce to us immediately any documents, information or advice in their possession and you must give them any instructions in relation to the conduct of the claim we may require.
- (b) We are not liable for the costs or fees of counsel, accountants or any expert witness unless we have given our prior approval to the appointment of that person and agreed the proposed fee.
- (c) Any agreement, undertaking or promise made or given by you to the **appointed legal practitioner** or by either to any witness expert or agent will not in any way affect the **legal costs and expenses** and **attendance expenses** payable.
- (d) The **appointed legal practitioner** or you must inform us immediately in writing of any offer or payment into court made with a view to settling the claim and
 - (i) no agreement to settle which may result in a claim for indemnity under this section may be made without our prior approval; and
 - (ii) if you do not accept any offer or payment into court but that amount is equal to or in excess of the total damages eventually recovered by you we shall have no liability in respect of any **legal costs and expenses** or **opponent's legal costs** incurred after that offer or payment unless, upon being notified of the offer or payment into court, we agree to the continuation of the legal proceedings.

- (e) If in any legal proceedings you are not successful in your claim or defence, no appeal or other proceedings will be covered unless we are notified in writing of the intention to appeal no later than six clear days before the time for making an appeal expires and we notify you that we consider that there are reasonable prospects of such appeal succeeding.
- (f) If we require, you must instruct the **appointed legal practitioner** to have the **legal costs and expenses** or **opponent's legal costs** taxed, assessed or audited by the relevant authority.
- (g) If for any reason the **appointed legal practitioner** refuses to continue acting for you or if you withdraw your instructions from the **appointed legal practitioner** then our liability will cease forthwith unless in our absolute discretion we agree to the appointment of another legal practitioner to continue with the claim.
- (h) If you withdraw from the legal proceedings or proposed legal proceedings without our prior agreement then the **legal costs and expenses, attendance expenses** and **opponent's legal costs** will become your responsibility and we will be entitled to be reimbursed by you for any costs paid or incurred during the course of the legal proceedings or proposed legal proceedings including any **legal costs and expenses** and **attendance expenses** we consider we are obliged to pay on your withdrawal from the claim.
- (i) Where you are awarded costs, you must take steps to recover **legal costs and expenses** and **attendance expenses** which would be the subject of payment under the policy. The **legal costs and expenses** and **attendance expenses** actually recovered will be taken into account by us when calculating our liability under this section.

4. Dispute resolution

- (a) You must, at our direction, use any Alternative Dispute Resolution (**ADR**) process available before taking legal action in respect of any **commercial dispute**.
- (b) You must use your best endeavours to have any **commercial dispute** resolved through **ADR**.
- (c) If you are a party to legal action in connection with a **commercial dispute** commenced by another party, you must suggest resolution of that **commercial dispute** by **ADR** as an alternative to continuing the legal action.

What we pay for a claim for legal costs and expenses

A: Employment contract dispute

We will pay the **legal costs and expenses, attendance expenses** and **opponent's legal costs** incurred in relation to employment contract disputes in:

- (a) the pursuit of your legal rights to obtain a remedy or to recover damages and costs from other parties;
- (b) the defence by you of any claim or counter claim;
- (c) the defence of a prosecution against you; and
- (d) the appeal or the defence of an appeal against judgment provided we are given 6 clear business days notice before the time for making the appeal or application for appeal has expired and we consider there to be a reasonable chance of success;

subject to the **insured amount** shown in the **schedule**.

B: Acts or omission of employees

We will pay the **legal costs and expenses, attendance expenses** and **opponent's legal costs** incurred in relation to acts or omissions of **employees** for:

- (a) the defence by you of any claim or counter claim; and
- (b) the defence of a prosecution against you;

subject to the **insured amount** shown in the **schedule**.

C: Employers prosecution defence

We will pay the **legal costs and expenses, attendance expenses** and **opponent's legal costs** incurred in employers prosecution defence for:

- (a) the defence of a prosecution against you; and
- (b) the defence of an appeal against judgment provided we are given 6 clear business days notice before the time for making the appeal or application for appeal has expired and we consider there to be a reasonable chance of success;

subject to the **insured amount** shown in the **schedule**.

D: Contract disputes

We will pay the **legal costs and expenses, attendance expenses** and **opponent's legal costs** incurred in relation to contract disputes (other than employment contract disputes), for:

- (a) the pursuit of your legal rights to obtain remedy or to recover damages and costs from other parties;
- (b) the defence by you of any claim or counter claim;

- (c) the defence of a prosecution against you; and
- (d) the defence of an appeal against judgment provided we are given 6 clear business days notice before the time for making the appeal or application for appeal has expired and we consider there to be a reasonable chance of success;

subject to the **insured amount** shown in the **schedule**.

E: Property dispute

We will pay the **legal costs and expenses, attendance expenses** and **opponent's legal costs** incurred in relation to a property dispute, for:

- (a) the pursuit of your legal rights to obtain remedy or to recover damages and costs from other parties;
- (b) the defence by you of any claim or counter claim;
- (c) the defence of a prosecution against you; and
- (d) the defence of an appeal against judgment provided we are given 6 business days notice before the time for making the appeal or application for appeal has expired and we consider there to be a reasonable chance of success;

subject to the **insured amount** shown in the **schedule**.

F: Trade Practices Act disputes

We will pay the **legal costs and expenses, attendance expenses** and where applicable **opponent's legal costs** incurred in Trade Practices Act disputes, for:

- (a) the pursuit of your legal rights to obtain remedy or to recover damages and costs from other parties;
- (b) the defence by you of any claim or counter claim;
- (c) the defence of a prosecution against you;
- (d) the defence of any claim, counter claim or prosecution against an **insured employee**;
- (e) the defence of an appeal against judgment provided we are given 6 clear business days notice before the time for making the appeal or application for appeal has expired and we consider there to be a reasonable chance of success;

subject to the **insured amount** shown in the **schedule**.

Recovery of legal costs and expenses

If we have paid a claim to you, and you recover an amount for costs as part of the award or settlement you must repay this amount to us.

G: Right to Practice

We will pay the **legal costs and expenses, attendance expenses** and **opponent's legal costs** incurred in relation to right to practice dispute, for:

- (a) the pursuit of your legal rights to obtain remedy or to recover damages and costs from other parties;
- (b) the defence by you of any claim or counter claim;
- (c) the defence of a prosecution against you; and
- (d) the defence of an appeal against judgment provided we are given 6 clear business days notice before the time for making the appeal or application for appeal has expired and we consider there to be a reasonable chance of success;

subject to the **insured amount** shown in the **schedule**.

H: Attendance for jury service

We will pay the **attendance expenses** in relation to you or an **employee** attending jury service to the **insured amount** shown in the **schedule**.

Excess

You must pay the first \$500 of all **legal costs and expenses, attendance expenses** and **opponent's legal costs**.

Exclusions applicable to Section D

We will not be liable for any claim in respect of or arising from or relating to:

1. civil proceedings where the amount in dispute is less than \$5,000;
2. (a) any act, omission or dispute which occurred prior to the commencement of the **period of insurance** and which you knew or ought reasonably to have known was likely to give rise to a claim or legal proceedings by or against you;
- (b) **legal costs and expenses, attendance expenses** and **opponent's legal costs** incurred prior to the written acceptance of a claim by us;

- (c) defamation, slander or libel;
 - (d) a dispute with us arising from any claim made under this policy;
 - (e) mining subsidence or land subsidence;
 - (f) the mining, processing, transport or storage of fibreglass;
 - (g) the installation, removal or treatment of fibreglass;
 - (h) the use of fibreglass or fibreglass products or products containing fibreglass;
 - (i) the manufacture and/or processing of fibreglass or raw materials containing fibreglass;
 - (j) injury including **personal injury** arising, directly or indirectly, from the inhalation of, or fears of the consequences of exposure to, or inhalation of, asbestos, asbestos fibres or derivatives of asbestos;
 - (k) that part of any loss, cost or expense for the cost of cleaning up, or removal of, or **damage to property** including intangible property and **insured property** caused by asbestos, asbestos fibres or any derivatives of asbestos.
 - (l) the use, ownership or possession by you or an **insured employee** of any motor vehicle, boat, vessel, craft or aircraft;
 - (m) disputes concerning patents, copyrights, trade marks, merchandise marks, registered designs, intellectual property and secrecy and confidentiality agreements;
 - (n) disputes concerning undefended debts or concerning debts owed by or to private individuals for non-business purposes;
 - (o) an act, omission or dispute between any two or more parties who are named as "policyholder" in the **schedule**;
 - (p) a contract of insurance where the dispute arises only in respect of the sum of money or other compensation payable under that contract;
 - (q) monies owed to you, where the claim is made 6 months or more after those monies became due and payable.
3. a matter where you or an **insured employee**:
 - (a) pursue or defend a claim or legal proceedings without our consent or contrary to or in a different manner from that advised by the **appointed legal practitioner**;
 - (b) fail to give proper instructions in due time to the **appointed legal practitioner** or counsel appointed by them; or
 - (c) are responsible for delay which is prejudicial to the successful outcome of the claim or legal proceedings.
 4. when you are bankrupt or have committed an act of bankruptcy or have made an arrangement with your creditors or have entered into a deed of arrangement or are in liquidation or part or all of your affairs or property are in the care or control of a receiver.
 5. the breach or alleged breach of any professional duty including advice or treatment advice, by you or an **insured employee**;
 6. (a) damages (including damages associated **legal costs and expenses**) for death, bodily injury, disease or illness of or to any person; and
 - (b) **damage to property** (including associated **legal costs and expenses**).
 7. the transit of any goods or property by air or by sea;
 8. **personal injury** or loss of or **damage to property** or **financial loss** resulting from contamination or pollution caused by any trade waste, smoke, soot, fumes, liquids, gases or other substances discharged, dispersed, released or which have escaped into or upon land, the atmosphere or any watercourse or body of water unless that discharge, dispersal, release or escape is instantaneously caused by a sudden, unexpected and unintended happening.
 9. the compulsory purchase, confiscation, nationalisation, requisition or destruction of or restrictions or controls placed on or damage to any property.
 10. the actual, planned or proposed construction, closure, modification or repair of roads or bridges or the actual, planned or proposed construction or demolition of buildings or other works by or under the order of any inter-governmental, governmental, public or local authority except insofar as the claim relates to accidental damage arising from such activities.
 11. payment of fines or other penalties which you or an **insured employee** may be ordered to pay;
 12. costs which you or an **insured employee** may be ordered to pay by a criminal jurisdiction;
 13. relating to any criminal or unlawful act committed deliberately or with wilful intent by you or an **insured employee**.
 14. any legal liability which would be covered under Sections A and B.

Section E – Tax Probe[®]

Cover

Subject to the **insured amount** shown in the **schedule** under Section E – Tax Probe[®] we will indemnify you in respect of **professional fees** incurred by you in connection with an **audit** which commenced during the **period of insurance** if:

- (a) “Tax Probe[®]” is shown in the **schedule**;
- (b) the **audit** was notified to us during the **period of insurance**;
- (c) a Commonwealth, State or Territory Department, Body or Agency or the Australian Tax Office (**ATO**) conducts an **audit of the business**;
- (d) the claim is not excluded by any of the Exclusions applicable to Section E; and
- (e) the claim is not excluded by any of the General Exclusions in the policy.

Audit

means the investigation of your tax or financial affairs by either:

- (a) the **ATO** following lodgement of your tax returns for a **designated liability** but does not include:
 - ▼ any audit of a superannuation fund for the purposes of determining any matter relating to the superannuation funds, or its trustees, or compliance with any of the provisions of the Superannuation Industry Supervision Act 1993 (“SIS”); and
 - ▼ any audit of superannuation funds contributions arising from or relating to a superannuation funds compliance authorised by the Superannuation Industry Supervision Act 1993 (“SIS”); or
- (b) the responsible Commonwealth, State or Territory Department, Body or Agency following lodgement of your returns and the making of an assessment (including a self assessed liability) or relevant document for a **designated liability** but does not include any audit of a superannuation fund, superannuation contribution or superannuation compliance related matter.

For the purpose of this section, the **audit** commences at the time you first receive notice that the **auditor** proposed to conduct an **audit**, and is completed when:

- (a) the **auditor** has given written notice to that effect;
- (b) the **auditor** notifies you that it has made a **concluded decision** about a **designated liability**; or
- (c) when the **auditor** has issued an assessment or amended assessment of a **designated liability**.

Basis of settlement

Following the completion of an **audit** we will pay for the **professional fees** reasonably and necessarily incurred by you in connection with an **audit** which commenced and was notified to us during the **period of insurance** provided that you:

- ▼ lodge taxation and other returns within the time limits prescribed by statute or, if an extension is granted by the **auditor**, within the further period granted;
- ▼ pay all taxes by their respective due dates or if an extension is granted by the **auditor**, within the further period granted;
- ▼ respond to letters, requests and enquires from the **auditor** within a reasonable time; and
- ▼ make full and complete declarations of:
 - all relevant liabilities, income and capital gains derived by you and of all Commonwealth, State or Territory taxation liabilities due to be paid or remitted by you during each year of income covered by this policy, and all deductions including capital losses or other amounts claimed by you in respect of the same period.

Limits to what we pay for an audit by the Australian Tax Office

The most we will pay for all claims during the **period of insurance** relating to **prescribed goods and services tax returns**, and **record keeping audits** is the amount shown on the **schedule** for these matters.

The most we will pay for any other audit by the ATO is:

- ▼ for any one claim, the amount shown on the **schedule** as “any one audit” and
- ▼ for all claims during the **period of insurance**, the amount shown on the **schedule** as “any one period of insurance”.

Limits to what we pay for an audit by Commonwealth, State or Territory, Body or Agency

The most we will pay for all claims during the **period of insurance** for an **audit** by a Commonwealth, State or Territory Department, Body or Agency is the amount shown on the **schedule** for this.

Policy Extension

If "Director – Tax Probe[®]" is shown in the **schedule** under "Interested Parties" then we will extend the definition of you for this section to include all directors named under "Interested Parties" and identified by Director – Tax Probe[®].

Exclusions applicable to Section E

We will not pay:

1. if a return or document which is required to be lodged in relation to which the **audit** is proposed to be conducted has not been lodged either at all or properly, or by the due date;
2. if the **audit** relates to an **audit** conducted by or on behalf of the Australian Prudential Regulation Authority;
3. in relation to routine enquiries or enquiries from the **auditor** which are not identified as being either preliminary to or relating to an **audit** being conducted by the **auditor**;
4. in relation to an **audit** if, prior to the commencement of the **period of insurance**, you or any person acting on your behalf:
 - (a) received notice from the **auditor** of the proposed **audit**; or
 - (b) had information that the **audit** was likely to take place;
5. **professional fees** of persons or organisations ordinarily resident outside Australia;
6. where there has been:
 - (i) a deliberate act or a fraudulent omission in relation to a return or document or in communications with the **auditor** by you or by any person acting on your behalf;
 - (ii) a written or oral statement by you or by any person acting on your behalf which was false or misleading in a material particular and/or which was made knowingly, recklessly or negligently to an **auditor**.

This exclusion 6 does not apply if the false or misleading statement was made relying on representations made by the **auditor**, or if you did not and could not reasonably have known that the statement was false or misleading, or if the statement was made on the basis of an honest and reasonable mistake as to what the law was;
7. if at the commencement of the **audit** you are bankrupt within the meaning of the Bankruptcy Act 1966, or insolvent or under external administration within the meaning of the Corporation Law;
8. **professional fees**:
 - (a) incurred after the **audit** has been completed (including in relation to any objection lodged with the **auditor** in respect of the **audit** or any assessment or amended assessment issued after the **audit** is completed);
 - (b) incurred more than twelve months after the commencement of the **audit**, unless you can show that completion of the **audit** has been delayed as a result of the conduct of the **auditor**;
 - (c) which are incurred for, or are ordinarily associated with the preparation of, your accounts, returns, taxation and financial records or advice which should have been incurred or ordinarily would be incurred for work done prior to or as part of the preparation of your accounts, returns, taxation and financial records prior to the lodgment of your taxation returns, financial records, or any document required by the relevant legislation in connection with a **designated liability**.
9. for any claim relating to an **audit** by the ATO:
 - (a) if you fail to comply with any requirement or obligation imposed upon you by any relevant legislation;
 - (b) if a return in relation to which the **audit** is proposed to be conducted:
 - (i) has not been lodged either at all or properly, or by the due date; or
 - (ii) was not prepared or reviewed by a **professional adviser** prior to dispatch;
 - (c) if, in relation to taxation matters, you:
 - (i) have not properly or at all maintained records which:
 - ▼ you are either required to keep or should or would keep in the ordinary course of business; or
 - ▼ would be kept ordinarily in relation to a **designated liability**; or
 - (ii) are notified by the **auditor** that you have not satisfied record keeping requirements or that the standard of records (including accounting and/or taxation records kept by you) are unsatisfactory.
 - (d) if the **audit** is conducted specifically for the purposes of determining if any fine, penalty or prosecution action should be imposed in connection with any act, failure or omission by you in relation to a **designated liability**, or in connection with any failure, act or omission arising from, or in connection with, your statutory obligations for any **designated liability**;
 - (e) if you without lawful justification refused to or failed to comply with a request made by or on behalf of the **auditor** for the production of documents or the supply of information;

- (f) if a return in relation to which the **audit** is proposed to be conducted:
 - (i) has not been lodged either at all or properly by the due date;
 - (ii) was not prepared or reviewed by a **professional adviser** prior to dispatch.

This exclusion 9 does not apply in respect of:

- (a) a **prescribed goods and services tax return**, Business Activity Statement (BAS); or
- (b) a return in respect of income derived from:
 - (i) income earned under a contract of employment or service between you and a third party (but not where the income is paid by a company in which you are a director or have a controlling interest);
 - (ii) payments from superannuation, pension or other retirement benefits received by you; or
 - (iii) income derived from personal investments upon which you are not wholly or mainly dependent for support.

General exclusions

We will not be liable for:

War

1. any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Terrorism

2. (a) **personal injury, damage to property, financial loss** or any other loss, damage cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the **personal injury, damage to property**, loss, damage, cost or expense.
(b) **personal injury, damage to property, financial loss** or any other loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.

Nuclear risks

3. damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any **personal injury** or any **damage to property** of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or fission of nuclear fuel, or
 - (b) radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof.

Nuclear weapons

4. **personal injury, damage to property, financial loss** or any other loss, damage, cost or expense of whatsoever nature directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

Territorial limits

5. **personal injury, damage to property, financial loss** or any other loss, damage, cost or expense of whatsoever nature which occurs outside the Commonwealth of Australia (except as provided for in Section A and Section B).

Sonic bang

6. **personal injury, damage to property, financial loss** or any other loss, damage, cost or expense of whatsoever nature including **consequential loss** due to pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

Contractual liability

7. **personal injury, damage to property, financial loss** or any other loss, damage, cost or expense of whatsoever nature in respect to which you have entered into an agreement which excludes or limits your right to recover from a third party.

Consequential loss

9. consequential loss of any kind including consequential loss due to delay, lack of performance, loss of contract or depreciation in the value of land or stock.

Electronic data

10. (a) claims directly or indirectly arising from:
 - (i) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **electronic data**;
 - (ii) error in creating, amending, entering, deleting or using **electronic data**; or
 - (iii) total or partial inability or failure to receive, send, access or use **electronic data** for any time or at all from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

Provided that when an event listed below (being an insured event or legal liability insured in any of the policies in this insurance) is caused by any of the matters described in paragraph 10(a) above, then this policy, subject to all its provisions, will provide cover for:

- (i) loss of or damage to **insured property** directly caused by the event; and/or
- (ii) consequential loss insured by the policies specified above.

This General Exclusion 10 does not apply where an event listed below (being an **insured event** or **legal liability** insured in any of the policies in this insurance) is caused by any of the matters described in paragraph 10(a) above, then this policy, subject to all its provisions, will provide cover for:

Fire, explosion, lightning and thunderbolt, wind and/or water, earthquake, subterranean fire or volcanic eruption, impact by aircraft or anything dropped from them, impact by any road vehicle, space debris, falling tree or animal, or theft of **electronic data** (solely where such theft is accompanied by theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such **electronic data**).

(b) claims caused by or arising from the communication, display, distribution or publication of **electronic data**.

However, this exclusion 10(b) does not apply to claims relating to bodily injury, death, sickness, disease, disability, shock, fright, mental injury, mental anguish or loss of consortium resulting from any of them.

This General Exclusion 10 prevails over any other provision in the policy except any terrorism exclusion.

Molestation

11. claims, costs or expenses caused by or arising from the molestation of, the interference with, the mental abuse of or the physical abuse of any persons by:

(i) you; or

(ii) any agent of yours; or

(iii) an **insured employee**; or

(iv) any person performing any voluntary work or service for you or on your behalf.

We will have no obligation to defend any action, suit or proceedings brought against you either directly or indirectly seeking damages in respect of such molestation, interference, mental or physical abuse.

General conditions

To the extent allowed by the Insurance Contracts Act 1984 the following conditions apply and in the event of breach we may refuse indemnity.

Policy conditions

Goods and Services Tax

1. In addition to the premium, we will charge You an amount on account of GST.

You must inform us of the extent to which You are entitled to an input tax credit for that GST amount each time that You may acquire on the settlement of a claim if you do not inform us of your entitlement or correct entitlement to an input tax credit.

Despite the other provisions of this insurance (including provisions in the wordings, any **schedules** and any **endorsements**), our liability to you will be calculated taking into account any input tax credit to you which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled were You to have made a relevant acquisition; and

If your **sum insured** or policy limit is not sufficient to cover your loss we will only pay GST (less any relevant input tax credit) that relates to our proportion of your loss. We will pay that GST amount in addition to your **sum insured** or policy limit.

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

Observance of policy terms

2. You must:

- (a) observe the terms, conditions and **endorsements** of this policy in so far as they relate to anything to be done or complied with by you; and

proposal statements

- (b) tell us the truth when answering the questions in the proposal; and

material facts

- (c) notify us as soon as practicable of any alteration in risk which materially affects this insurance

Reasonable care

3. You at your own expense shall take or cause to be taken all reasonable care to:

- (a) maintain premises, plant and everything used in **the business** in proper repair;

- (b) employ only competent **employees**;

- (c) comply with all statutory obligations and regulations imposed by any authority;

- (d) remedy any defects or eliminate any dangers which may give rise to **personal injury, damage to property or financial loss**;

- (e) prevent loss of or damage to the property insured by this policy and avoid any event that may give rise to a claim.

Cancellation

4. (a) **How you may cancel**

- (i) You may cancel the policy or a section at any time by telling us that you want to cancel it.

- (ii) We subtract from any premium you have paid us, an amount to cover the period that we have already insured you for. We will then return the rest of the premium for the cancelled policy (or section) to you.

- (b) **How we may cancel**

- (i) We may only cancel a policy when the law says we can.

- (ii) We will cancel your policy by telling you in writing, either in person or by post to your last known address.

- (iii) We will refund the premium that you paid for the rest of the **period of insurance**.

Notification

5. (a) You must advise us as soon as reasonably practicable of any:

- (i) Damage, **personal injury, damage to property or financial loss**, or

- (ii) act, omission, accident or dispute, or any alleged act, omission, accident or dispute,

which may give rise to a claim under this policy and provide in writing if requested, including verification on oath, such particulars, documents and information as we may require.

- (b) You must immediately:
 - (i) on receipt forward to us every letter, writ, summons and process;
 - (ii) inform us in writing of any prosecution or inquest of which you are given notice.
- (c) You must provide all assistance which we may reasonably require.

Admission of liability

6. You shall not:
- (a) make any admission of liability;
 - (b) take any action which may be considered to be an admission of liability;
 - (c) repudiate, negotiate or settle a claim;
- without our written consent.

Conduct of claim

7. You must:
- (a) give immediate notice to the police of property lost, stolen, maliciously or wilfully damaged and take all reasonable steps to discover the guilty person or persons and to trace and recover property;
 - (b) not abandon any property or salvage to us;
 - (c) take all reasonable steps to mitigate the loss.

We may if it is so desired take over and conduct in the name of you, the defence or settlement of any claim or prosecute in the name of you for our own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

Payment of insured

8. We may at any time pay to you, or at our discretion, any other person claiming to be indemnified amount the appropriate **insured amount** (after deducting therefrom any sum or sums already paid) or any less amount for which such claim or claims may be settled and thereupon we shall relinquish the conduct and control of and shall be under no further liability in connection with such claim or claims except for costs and expenses incurred prior to the date of such payment.

Contribution to costs

9. If we have not exercised our rights under General Conditions 8, our liability to pay costs and expenses where any sum or sums exceeding the appropriate **insured amount** shall be limited to such proportion of the said costs and expenses as such **insured amount** bears to the amount paid to dispose of the claim.

Material changes

10. This policy covers the risk as you have represented it to us. If there is a material change you should notify us during the **period of insurance** and at renewal, and ask us to provide cover by endorsement. If we agree to do this we may require an extra premium.

Complying with our requirements

11. You must comply, within a reasonable time to any request made by us:
- (a) to survey your premises or examine your products;
 - (b) for the protection or improvement of **property in the possession or control** of you;
 - (c) to reduce the likelihood of injury or of or damage to **property in the possession or control** of you.

You must give us, all of the information we reasonably ask for about a claim. You must also help us to take legal action against anyone or help us defend any legal action if we ask you to.

Third party interests

12. We will not insure the interests of any person other than you, unless you have notified us in writing of such interest, and the interest has been noted in the **schedule**.

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