Not-for-Profit Protector/Association Liability Insurance Policy Wording

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Issued by Aon Risk Services Australia Limited
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Contents

About CGU Insurance 3

About Aon 3

Important Notices 4

Section 1: Professional Liability 6

1.1 Insuring Clause 6

1.2 Additional Extensions 6

1.3 Additional Exclusions 8

Section 2: Management Liability 10

2.1 Insuring Clauses 10

2.2 Additional Extensions 10

2.3 Additional Exclusions 11

Section 3: Association Liability 12

3.1 Insuring Clause 12

3.2 Additional Extensions 12

3.3 Additional Exclusions 14

Section 4: Employment Practices Liability (Association Cover) 16

4.4 Insuring Clause 16

4.5 Additional Extensions 16

4.6 Additional Exclusions 17

Section 5: Employee Fraud or Dishonesty 18

5.7 Insuring Clause 18

5.8 Additional Extensions 18

5.9 Additional Exclusions 19

Section 6: Superannuation Trustees Liability 20

6.10 Insuring Clauses 20

6.11 Additional Extensions 20

6.12 Additional Exclusions 21

Section 7: General Extensions 22

Section 8: General Exclusions 26

Section 9: General Provisions 29

Section 10: Definitions 35

About CGU Insurance

CGU Australia Pty Ltd ABN 62 004 478 960 AFSL 700014 trading as CGU Insurance (CGU), is the insurer of this policy. CGU Australia Pty Ltd is one of Australia's largest intermediary-based general insurers and backed by IAG. We are proud of our 160-year history of providing insurance to Australians.

About Aon

Aon is a leading provider of risk management services, insurance and reinsurance broking, and employee benefit and risk solutions. Aon professionals meet the diverse and varied needs of our clients through our industry knowledge, technical expertise and global resources. Aon is acting on CGU's behalf and not as your agent.

Important Notices

How CGU protects your privacy

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

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

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

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

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

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

General Insurance Code of Practice

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

The objectives of the Code are:

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

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

We are proud of Our service standards and We support the General Insurance Code of Practice. In an 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 Our nearest office to you if you have a complaint, including if you are not satisfied with any of the following:

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

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

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

Intermediary remuneration

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

Interest on unallocated premium

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

Your duty of disclosure

Before You enter into a contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

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

Section 1: Professional Liability

In consideration of payment of the premium and subject to the terms and conditions of this coverage section, the General Extensions, General Exclusions, General Provisions and the Definitions, the Insurer and the Insured agree as follows:

1.1 Insuring Clause

The Insurer will pay to or on behalf of the Insured any Loss for civil liability arising from the performance of the Insured Services by or on behalf of the Insured, and which arises from a Claim first made or commenced against the Insured and notified to the Insurer during the Policy Period, or any applicable Discovery Period.

1.2 Additional Extensions

The following Additional Extensions automatically apply to this coverage section and are subject to all other provisions of this coverage section, the General Extensions, General Exclusions, General Provisions and Definitions.

1.2.1 Attendance at Investigations

The Insurer will pay to or on behalf of the Insured, Investigation Costs arising from any Investigation which:

a. is first notified to the Insured by an Official Body or Dispute Resolution Body during the Policy Period, or any applicable Discovery Period; and

b. is notified to the Insurer during the Policy Period, or any applicable Discovery Period; and

c. arises from the performance of the Insured Services by or on behalf of the Insured, regardless of whether or not there have been any allegations of civil liability.

1.2.2 Emergency First Aid

The Insurer will pay to or on behalf of the Insured any Loss for civil liability arising from a Claim resulting from the rendering of or failure to render first aid and assistance in an emergency situation or accident, except when such Insured is engaged in a professional capacity by another person or entity.

1.2.3 Fund Raising and Social Activities

The Insurer will pay to or on behalf of the Insured any Loss for civil liability arising from a Claim in connection with the fund raising and social activities of any social club or committee of the Insured where such activities have been sanctioned by, and are conducted for the benefit of, the Insured.

1.2.4 Loss of Documents

The Insurer will pay to or on behalf of the Insured reasonable costs and expenses reasonably incurred by the Insured in replacing or restoring documents for which the Insured is legally liable:

a. and which costs and expenses are incurred as a result of the loss of or damage to such documents in the course of the performance of the Insured Services during the Policy Period; and

b. the loss of, or damage to such documents, is reported to the Insurer during the Policy Period, or any applicable Discovery Period,

provided that such documents were, at the time of the loss or damage:

c. in the custody of the Insured;

d. in the custody of any person to whom the Insured has entrusted them; or

e. in transit anywhere.

Cover shall not be provided under this Additional Extension where loss or damage to such documents is caused by fading, mould, vermin, pest infestation, wear, tear or other gradually operating cause.

"Documents" does not include currency or negotiable instruments.

The coverage provided under this Additional Extension is sub-limited to the sum of $500,000, any one loss or damage and in the aggregate.

1.2.5 Principal's Previous Business

The Insurer agrees to extend the coverage provided by this coverage section to any director partner or principal of the Insured for Loss arising from a Claim for civil liability arising in their capacity as a director, partner or principal of a previous business provided that:

a. such previous business was the same discipline as the Insured Services and the Claim arises from the conduct of this discipline; and

b. details of such prior business are disclosed to the Insurer in the proposal.

In the event that a natural person becomes a director or partner of the Insured during the Policy Period (but after inception) the Insurer may (but shall not be obliged to), at the request of the Insured, extend the coverage to that person, upon the Insured:

c. providing such additional information; and

d. agreeing to pay such additional premium (if any) to reflect an increased risk of loss or damage; and

e. agreeing to such reasonable provisions, as the Insurer may require.

This coverage shall only operate excess of any payment made to or on behalf of such director partner or principal pursuant to any indemnity (other than an indemnity by way of Insurance) from the previous business.

1.2.6 Reinstatement of the Section 1 Limit of Liability

In the event that the Section 1 Limit of Liability is exhausted by Loss relating to one or more Claims, such Limit of Liability shall be automatically reinstated during the Policy Period or any applicable Discovery Period without additional premium provided that:

a. the reinstatement will only apply to Claims made against the Insured and notified to the Insurer during the Policy Period or any applicable Discovery Period which are unrelated to Claims previously notified to the Insurer; and

b. such reinstatement shall only be made once and shall be limited to the amount of the original Limit of Liability.

This Additional Extension does not apply to any sub-limits of liability applicable to this Policy.

1.2.7 Statutory Liability

Notwithstanding clause 10.30 (Definition of Loss), the Insurer will pay to or on behalf of the Insured:

a. Defence Costs for proceedings under occupational health and safety law or environmental law first brought against the Insured and notified to the Insurer during the Policy Period, or any applicable Discovery Period, arising from the Insured Services;

b. to the extent permitted by law, for any pecuniary penalties imposed upon the Insured based on any breach of occupational health and safety law or environmental law as a result of proceedings under occupational health and safety law or environmental law first brought against the Insured and notified to the Insurer during the Policy Period arising from the conduct of the Insured Services, except for any pecuniary penalties:

   i. resulting from any act, error or omission occurring or committed prior to the Retroactive Date; or

   ii. imposed where the Insured knew or where a reasonable person in the circumstances ought reasonably to have known, prior to the Policy Period that the Insured had contravened such law and committed an offence pursuant to that law, and which lead to the imposition of increased or additional pecuniary penalties.

The coverage provided under this Additional Extension will only apply to such pecuniary penalties imposed in the jurisdictions of Australia and New Zealand.

The coverage provided under this Additional Extension is sub-limited to the sum of $100,000, any one proceeding and in the aggregate.

1.3 Additional Exclusions

Unless otherwise stated, each of the General Exclusions automatically applies to this coverage Section. The following Additional Exclusions apply only to this coverage Section and any endorsements relevant to this Section (unless otherwise provided for, expressly or by implication, in the endorsement).

The Insurer will not provide coverage for any Claim or Loss:

1.3.1 Assumed Liability (Professional Liability)

for or arising out of, based upon or attributable to any liability assumed by an Insured outside the normal course of the Insured Services.

1.3.2 Directors and Officers

for or arising out of, based upon or attributable to any actual or alleged breach by any Insured Person of a duty where that duty is owed solely in that Insured Person's capacity as a director or officer.

1.3.3 Employment Liability

for or arising out of, based upon or attributable to a breach of any obligation owed by the Insured as an employer to any Employee (including any liability under workers compensation legislation) or prospective employee.

1.3.4 Related Parties

made or commenced by or on behalf of any other Insured unless such Claim is for indemnity or contribution in respect of a claim made by an independent third party where such claim:

a. directly results from the performance of the Insured Services by or on behalf of the Insured; and

b. would otherwise be covered by this coverage section had it been made directly against an Insured.

1.3.5 Occupier's Liability

for or arising out of, based upon or attributable to the occupation or alleged occupation by the Insured of any land or building.

1.3.6 Professional Fees/Commissions

for the refund of fees, commissions or other compensation for any services rendered or required to be rendered by an Insured, or that portion of any judgment, settlement or award corresponding to such fees, commissions or other compensation.

1.3.7 Product Liability

for or arising out of, based upon or attributable to the manufacture, assembly, processing, installation, distribution, installation or supply of any goods (or any workmanship associated therewith) by or on behalf of any Insured, or the supervision of such activities by or on behalf of the Insured.

1.3.8 Trading Debts

for or arising out of, based upon or attributable to any trading debt incurred by an Insured or any guarantee given by an Insured for a debt.

1.3.9 Use of Vehicles

for or arising out of, based upon or attributable to any Insured's liability as an owner or operator of any aircraft, marine craft or motor vehicle of any kind.

Section 2: Management Liability

In consideration of payment of the premium and subject to the terms and conditions of this coverage section, the General Extensions, General Exclusions, General Provisions and the Definitions, the Insurer and the Insured agree as follows:

2.1 Insuring Clauses

2.1.1 The Insurer will pay to or on behalf of each Manager any Loss for which the Manager is not indemnified by the Association, and which arises from a Claim first made or commenced against that Manager and notified to the Insurer during the Policy Period or any applicable Discovery Period.

2.1.2 The Insurer will pay to or on behalf of any Association, all Loss for which the Association indemnifies any Manager as permitted or required by law, and which arises from a Claim first made or commenced against that Manager and notified to the Insurer during the Policy period or any applicable Discovery Period.

2.2 Additional Extensions

The following Additional Extensions automatically apply to this coverage section and are subject to all other provisions of this coverage section, the General Extensions, General Exclusions, General Provisions and Definitions.

2.2.1 Attendance at Investigations

The Insurer will pay to or on behalf of the Insured, Investigation Costs arising from an Investigation which is first notified:

a. to the Insured by an Official Body or a Dispute Resolution Body; or

b. by the Insured to an Official Body,

during the Policy Period, or any applicable Discovery Period and is first notified to the Insurer during the Policy Period, or any applicable Discovery Period.

The Insurer will pay Investigation Costs whether or not there has been any allegation of a Wrongful Act or an Employment Practices Breach.

2.2.2 Civil or Bail Bond Expenses

The Insurer will pay to or on behalf of a Manager, Bail Bond and Civil Bond Premium incurred in respect of a Claim including, but not limited to, an extradition proceeding.

2.2.3 Extradition Costs

The Insurer will pay Extradition Costs.

2.2.4 Reinstatement of Limit of Liability

In the event that the Section 2 Limit of Liability is exhausted by Loss relating to one or more Claims, such Limit of Liability shall be automatically reinstated during the Policy Period or any applicable Discovery Period without additional premium provided that:

a. the reinstatement will only apply to Claims made against the Manager and notified to the Insurer during the Policy Period or Discovery Period which are unrelated to Claims previously notified to the Insurer; and

b. such reinstatement shall only be made once and shall be limited to the amount of the original Limit of Liability.

This Additional Extension does not apply to any sub-limits of liability applicable to this Policy.

2.2.5 Retired Insured Persons

If this coverage Section is not renewed or replaced with similar cover at the expiry of the Policy Period with any other policy that covers similar risk exposures as this Policy or the relevant coverage Section of it, the Insurer will grant (without payment of any additional premium) to any Insured Person who has retired from their position with any Association, an 84 month Discovery Period provided that:

a. such retirement occurs prior to the end of the Policy Period;

b. any Claim notified during such Discovery Period is in respect of acts or omissions occurring prior to the retirement; and

c. any Discovery Period referred to in General Extension 7.4 (Discovery Period), with respect to such Insured Person, shall be part of and not in addition to the Discovery Period provided under this Additional Extension.

No cover is provided to the Association under this Additional Extension. This Additional Extension is not available in the event that the Named Entity ceases operations, merges with or is acquired by another entity or an administrator, receiver, provisional liquidator or liquidator is appointed to any Association, but only in relation to that entity.

2.2.6 Tax Liability

The Insurer will pay to or on behalf of a Manager Loss arising from the personal liability of the Manager for unpaid taxes of an Association where the Association has become insolvent, except to the extent that such liability arises from the wilful intent of the Manager to breach any statutory duty or legislation governing the payment of taxes.

2.3 Additional Exclusions

Unless otherwise stated, each of the General Exclusions automatically applies to this coverage Section. The following Additional Exclusions apply only to this coverage Section and any endorsements relevant to this Section (unless otherwise provided for, expressly or by implication, in the endorsement).

The Insurer will not provide coverage for any Claim or Loss:

2.3.1 Bodily Injury or Property Damage

for bodily injury, sickness, disease, death or emotional distress, or damage to or destruction, impairment or loss of the use of any property. This Additional Exclusion does not apply to:

a. any Employment Claim; or

b. Loss in respect of any proceeding for a breach of, or Investigation in relation to, an occupational health and safety law or regulation, including a law or regulation dealing with industrial or workplace manslaughter or industrial or workplace deaths; or

c. Loss in respect of any proceeding for defamation.

2.3.2 Consensual Claims

arising out of, based upon or attributable to or in any way connected with any Claim which is brought with the assistance, intervention, solicitation or active participation of the Manager against whom it is brought, unless the Manager is legally required to assist, intervene, solicit or participate in the Claim.

2.3.3 Professional Services

in connection with the provision of or failure to provide professional services to a third party. However, this Additional Exclusion will not apply to any Claim to the extent that the Claim:

a. arises from a failure to supervise; and

b. is not the subject of coverage provided under Section 1 of this Policy.

Section 3: Association Liability

In consideration of payment of the premium and subject to the terms and conditions of this coverage section, the General Extensions, General Exclusions, General Provisions and the Definitions, the Insurer and the Insured agree as follows:

3.1 Insuring Clause

The Insurer will pay to or on behalf of any Association, all Loss which arises from a Claim first made or commenced against that Association and notified to the Insurer during the Policy Period or any applicable Discovery Period.

3.2 Additional Extensions

The following Additional Extensions automatically apply to this coverage section and are subject to all other provisions of this coverage section, the General Extensions, General Exclusions, General Provisions and Definitions.

3.2.1 Breach of Contract

Notwithstanding Additional Exclusion 3.3.2 (Assumed Liability), the Insurer will pay to or on behalf of an Association, Defence Costs or Investigation Costs arising from any Claim or Investigation alleging a breach of express (written or oral) contract or agreement.

The coverage provided under this Additional Extension is sub-limited to the sum of $100,000, any one Claim or Investigation and in the aggregate.

3.2.2 Crisis Costs

The Insurer will pay to or on behalf of any Association, Crisis Costs incurred by or on behalf of the Association in connection with a Crisis first arising during and notified to the Insurer during the Policy Period, or applicable Discovery Period.

The coverage under the Additional Extension is sub-limited to the sum of $50,000 any one Crisis and in the aggregate.

3.2.3 Investigation Costs

The Insurer will pay to or on behalf of the Association, Investigation Costs arising from any Investigation which:

a. is first notified to the Association by an Official Body or Dispute Resolution Body during the Policy Period, or any applicable Discovery Period; and

b. is notified to the Insurer during the Policy Period, or any applicable Discovery Period.

The Insurer will pay Investigation Costs whether or not there has been any allegation of an Association Wrongful Act.

The coverage provided under this Additional Extension is sub-limited to the sum of $500,000 any one Investigation and in the aggregate.

3.2.4 Occupational Health and Safety Defence Costs and Investigation Costs

Notwithstanding Additional Exclusion 3.3.4 (Bodily Injury and Property Damage), the Insurer will pay to or on behalf of any Association, Defence Costs or Investigation Costs in respect of any proceeding for a breach of, or Investigation in relation to, an occupational health and safety law or regulation, including a law or regulation dealing with industrial or workplace manslaughter or industrial or workplace deaths.

The coverage provided under this Additional Extension is sub-limited to the sum of $500,000 any one Claim or Investigation and in the aggregate.

3.2.5 Pollution Defence Costs and Investigation Costs

Notwithstanding Additional Exclusion 3.3.8 (Pollution), the Insurer will pay to or on behalf of any Association, Defence Costs or Investigation Costs in respect of any proceeding for under, or Investigation in relation to, environmental law.

The coverage provided under this Additional Extension is sub-limited to the sum of $500,000 any one Claim or Investigation and in the aggregate.

3.2.6 Reinstatement of Limit of Liability

In the event that the Section 3 Limit of Liability is exhausted by Loss relating to one or more Claims, such Limit of Liability shall be automatically reinstated during the Policy Period or any applicable Discovery Period without additional premium provided that:

a. the reinstatement will only apply to Claims made against the Association and notified to the Insurer during the Policy Period or Discovery Period which are unrelated to Claims previously notified to the Insurer; and

b. such reinstatement shall only be made once and shall be limited to the amount of the original Limit of Liability.

This Additional Extension does not apply to any sub-limits of liability applicable to this Policy.

3.2.7 Statutory Liability

Notwithstanding clause 10.30 (Definition of Loss) and Additional Exclusions 3.3.4 (Bodily Injury and Property Damage) and 3.3.8 (Pollution), the Insurer will pay to or on behalf of the Association:

a. Defence Costs; and

b. to the extent permitted by law, any pecuniary penalties imposed upon the Association,

in connection with any proceeding alleging a breach of an Act, and where such proceeding is first brought against the Association and notified to the Insurer during the Policy Period, or any applicable Discovery Period.

Provided that no cover is provided for any pecuniary penalties:

c. resulting from any act, error or omission occurring or committed prior to the Retroactive Date; or

d. imposed where the Association knew, or ought reasonably to have known, prior to the Policy Period that the Association had contravened such law and committed an offence pursuant to that law, and which has led to the imposition of increased or additional pecuniary penalties.

The coverage provided under this extension will only apply to such pecuniary penalties imposed in the jurisdictions of Australia and New Zealand.

The coverage provided under this Additional Extension is sub-limited to the sum of $500,000, any one proceeding and in the aggregate.

3.2.8 Taxation Audit Costs

The Insurer will pay to or on behalf of the Named Entity, Taxation Audit Costs arising from a Tax Audit Notice fist received by the Association and notified to the Insurer during the Policy Period.

The coverage provided under this Additional Extension is sub-limited to the sum of $250,000 anyone audit or investigation and in the aggregate.

3.3 Additional Exclusions

Unless otherwise stated, each of the General Exclusions automatically applies to this coverage Section. The following Additional Exclusions apply only to this coverage Section and any endorsements relevant to this Section (unless otherwise provided for, expressly or by implication, in the endorsement).

The Insurer will not provide coverage for any Claim or Loss:

3.3.1 Anti-competitive Practices

for or arising out of, based upon or attributable to any breach of any law or regulation restricting anticompetitive business practices.

3.3.2 Assumed Liability

for or arising out of, based upon or attributable to any liability assumed by an Association under any contract, agreement, guarantee or warranty, except to the extent that the Association would have been liable in the absence of such contract, agreement, guarantee or warranty.

3.3.3 Benefits

for or arising out, based upon or attributable to any law or obligation pursuant to any workers' compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits, superannuation benefits or any similar law or obligation.

3.3.4 Bodily Injury and Property Damage

for bodily injury, sickness, disease, death or emotional distress, or damage to or destruction, impairment or loss of the use of any property.

3.3.5 Employment Practices Liability

for or arising out of, based upon or attributable to an Employment Wrongful Act.

3.3.6 Insured v Insured

made or commenced by or on behalf of any other Insured Provided that this Additional Exclusion does not apply to:

a. any Claim for contribution or indemnity which, if it were a Claim made against the first named Insured by an unrelated third party, would be covered by this Coverage Section;

b. Defence Costs.

3.3.7 Intellectual Property Rights

for or arising out, based upon or attributable to any breach of intellectual property rights or trade secrets.

3.3.8 Pollution

for or arising out of, based upon or attributable to Pollution.

3.3.9 Professional Services

in connection with the provision of or failure to provide professional services.

3.3.10 Taxation Audit Costs

for Taxation Audit Costs which:

a. are incurred after the completion of the audit or investigation;

b. arise out of or relate to 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;

c. relate to matters arising under customs legislation;

d. arise out of or relate to any audit or investigation conducted or related to income derived outside of Australia and/or New Zealand.

3.3.11 Trading Debts

for or arising out of, based upon or attributable to any trading debt or business debt incurred by the Association or any guarantee given for a debt.

Section 4: Employment Practices Liability (Association Cover)

In consideration of payment of the premium and subject to the terms and conditions of this coverage section, the General Extensions, General Exclusions, General Provisions and the Definitions, the Insurer and the Insured agree as follows:

4.1 Insuring Clause

The Insurer will pay to or on behalf of any Association, any Loss arising from an Employment Claim first made or commenced against the Association and notified to the Insurer during the Policy Period, or any applicable Discovery Period.

4.2 Additional Extensions

The following Additional Extensions automatically apply to this coverage section and are subject to all other provisions of this coverage section, the General Extensions, General Exclusions, General Provisions and Definitions:

4.2.1 Attendance at Investigations

The Insurer will pay to or on behalf of the Association, Investigation Costs arising from an Investigation which is first notified:

a. to the Association by an Official Body or a Dispute Resolution Body during the Policy Period, or any applicable Discovery Period; and

b. is first notified to the Insurer during the Policy Period, or any applicable Discovery Period; and

c. arises in connection with employment, regardless of whether or not there has been any allegation of an Employment Practices Breach.

The coverage provided under this Additional Extension is sub-limited to the sum of $500,000 any one Investigation and in the aggregate.

4.2.2 Reinstatement of Limit of Liability

In the event that the Section 4 Limit of Liability is exhausted by Loss relating to one or more Claims, such Limit of Liability shall be automatically reinstated during the Policy Period or any applicable Discovery Period without additional premium provided that:

a. the reinstatement will only apply to Claims made against the Insured and notified to the Insurer during the Policy Period or Discovery Period which are unrelated to Claims previously notified to the Insurer; and

b. such reinstatement shall only be made once and shall be limited to the amount of the original Limit of Liability.

This Additional Extension does not apply to any sub-limits of liability applicable to this Policy.

4.2.3 Third Party Liability

The Insurer will pay to or on behalf of any Association, any Loss arising from a Third Party Claim first made or commenced against the Association and notified to the Insurer during the Policy Period, or any applicable Discovery Period.

4.3 Additional Exclusions

Unless otherwise stated, each of the General Exclusions automatically applies to this coverage Section. The following Additional Exclusions apply only to this coverage Section and any endorsements relevant to this Section (unless otherwise provided for, expressly or by implication, in the endorsement).

The Insurer will not provide coverage for any Claim or Loss:

4.3.1 Assumed Liability

for or arising out of, based upon or attributable to any liability of others (except for an Employee) assumed by the Association under any contract, agreement, guarantee or warranty except to the extent that the Association would have been liable in the absence of such contract, agreement, guarantee or warranty.

4.3.2 Employee Entitlements

for:

a. salary or wages earned prior to dismissal or termination;

b. fringe benefits;

c. superannuation or pension benefits;

d. benefits associated with any employee incentive schemes;

e. any payment in lieu of any termination notice requirement, or for severance or redundancy arising from any statutory obligation or any express obligation assumed by the Association; or

f. any payment in lieu of future salary which is paid to any Employee in consequence of a failure to comply with an order to reinstate such Employee.

4.3.3 Unfair Contracts

for or in respect of the seeking of relief pursuant to Section 127A of the Workplace Relations Act (Cth) 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 and territories of the Commonwealth of Australia or in New Zealand, provided however that this Additional Exclusion 4.3.3 will not apply unless the contract of employment between the Association and the relevant Employee giving rise to the seeking of relief is one where such Employee earns, or earned, a base annual salary from the Association of more than $150,000.

4.3.4 Workers Compensation

for or arising out of, based upon or attributable to any obligation of any Insured pursuant to any workers' compensation, unemployment insurance, social security, disability benefits or similar law or regulation.

Section 5: Employee Fraud or Dishonesty

In consideration of payment of the premium and subject to the terms and conditions of this coverage section, the General Extensions, General Exclusions, General Provisions and the Definitions, the Insurer and the Insured agree as follows:

5.1 Insuring Clause

The Insurer will pay any Association for Direct Financial Loss sustained by an Association resulting from any acts of fraud or dishonesty committed by an Employee (acting alone or in collusion with others), first Discovered and notified to the Insurer during the Policy Period, or any applicable Discovery Period.

5.2 Additional extensions

The following Additional Extensions automatically apply to this coverage section and are subject to all other provisions of this coverage section, the General Exclusions, General Provisions and the Definitions.

5.2.1 Investigative Fees

The Insurer will pay to or on behalf of any Association reasonable fees, costs and expenses of a fraud investigator, incurred with the Insurer's prior written consent (which will not be unreasonably withheld or delayed), to establish the existence and/or amount of any Direct Financial Loss.

The coverage provided under this Additional Extension is sub-limited to the sum of $100,000 in the aggregate.

5.2.2 Legal Fees

The Insurer will pay to or on behalf of any Association reasonable legal fees, costs and expenses incurred in the defence of any written demand, claim, suit or legal proceeding which results directly from a covered Direct Financial Loss.

The coverage provided under this Additional Extension is sub-limited to the sum of $50,000 any one proceeding and in the aggregate.

5.2.3 Reinstatement of Coverage Section 5 Limit of Liability

In the event that the Section 5 Limit of Liability is exhausted by Direct Financial Loss, such Limit of Liability shall be automatically reinstated during the Policy Period or any applicable Discovery Period without additional premium, provided that the reinstatement will only apply to Direct Financial Loss discovered by the Insured and notified to the Insurer during the Policy Period or Discovery Period which is unrelated to any Direct Financial Loss previously notified to the Insurer.

5.3 Additional Exclusions

Unless otherwise stated, each of the General Exclusions automatically applies to this coverage Section. The following Additional Exclusions apply only to this coverage Section and any endorsements relevant to this Section (unless otherwise provided for, expressly or by implication, in the endorsement).

The Insurer will not provide coverage for:

5.3.1 Agents, Brokers and Factors

any act, error or omission of any independent contractor (other than an Employee), broker, merchant, external solicitor or external accountant, or other similar agent or representative. This Additional Exclusion shall not apply to any organisation to which the Association has outsourced any normal administrative function under a written contract.

5.3.2 Confidential Information

loss of or damage to any trade secrets, confidential processing methods or confidential information of any kind.

5.3.3 Consequential Loss

consequential loss, including, but not limited to, loss of reputation, loss of use or enjoyment, loss of profits or depreciation. provided that this Additional Exclusion shall not apply to the cover provided under Additional Extension 5.2.1 (Investigative Fees).

5.3.4 Damage to Premises

damage or destruction to any premises or building.

5.3.5 Direct Financial Loss Sustained After Discovery

Direct Financial Loss sustained after a Responsible Person of an Association first becomes aware that:

a. an Employee has committed a dishonest or fraudulent act during the term of his or her employment with the Association; or

b. an Employee has previously committed a dishonest or fraudulent act prior to employment with the Association, provided the act or acts involved property valued at $10,000 or more.

5.3.6 Profit, Loss or Inventory Computation

Direct Financial Loss which can only be proved solely by:

a. a profit and loss computation or comparison; or

b. a comparison of inventory with an actual physical event.

Section 6: Superannuation Trustees Liability

In consideration of payment of the premium and subject to the terms and conditions of this coverage section, the General Extensions, General Exclusions, General Provisions and the Definitions, the Insurer and the Insured agree as follows:

6.1 Insuring Clauses

6.1.1 The Insurer will pay to or on behalf of each Superannuation Trustee, any Loss for which the Superannuation Trustee is not indemnified by an Association or Plan, and which arises from a Claim first made or commenced against that Superannuation Trustee and notified to the Insurer during the Policy Period or any applicable Discovery Period.

6.1.2 The Insurer will pay to or on behalf of any Association or Plan, all Loss for which the Association or Plan indemnifies any Superannuation Trustee as permitted or required by law, and which arises from a Claim first made or commenced against that Superannuation Trustee and notified to the Insurer during the Policy period or any applicable Discovery Period.

6.1.3 The Insurer will pay to or on behalf of any Association or Plan, all Loss which arises from a Claim first made or commenced against that Association or Plan and notified to the Insurer during the Policy Period or any applicable Discovery Period.

6.2 Additional Extensions

The following Additional Extensions automatically apply to this coverage section and are subject to all other provisions of this coverage section, the General Extensions, General Exclusions, General Provisions and Definitions.

6.2.1 Investigation Costs

The Insurer will pay to or on behalf of the Insured, Investigation Costs arising from an Investigation which is first notified:

a. to the Insured by an Official Body or a Dispute Resolution Body; or

b. by the Insured to an Official Body,

during the Policy Period, or any applicable Discovery Period; and is first notified to the Insurer during the Policy Period, or any applicable Discovery Period.

The Insurer will pay Investigation Costs whether or not there has been any allegation of a Wrongful Act, provided that the Investigation relates to the operation and management of the Plan.

The coverage provided under this Additional Extension is sub-limited to the sum of $500,000, any one Investigation and in the aggregate.

6.2.2 Loss of Documents

The Insurer will pay to or on behalf of the Insured, reasonable costs and expenses reasonably incurred by the Insured in replacing or restoring documents for which the Insured is legally liable:

a. and which costs and expenses are incurred as a result of the loss of or damage to such documents in the operation and management of the Plan during the Policy Period; and

b. the loss of, or damage to such documents, is reported to the Insurer during the Policy Period, or any applicable Discovery Period,

Provided that such documents were, at the time of the loss or damage:

c. in the custody of the Insured; or

d. in the custody of any person to whom the Insured has entrusted them; or

e. in transit anywhere.

Cover shall not be provided under this Additional Extension 6.2 where loss or damage to such documents is caused by fading, mould, vermin, pest infestation, wear, tear or other gradually operating cause.

"Documents" does not include currency or negotiable instruments.

The coverage provided under this Additional Extension is sub-limited to the sum of $100,000, any one loss or damage to which sub-clause 6.2.2(a) refers and in the aggregate.

6.2.3 Reinstatement of the Section 6 Limit of Liability

In the event that the Section 6 Limit of Liability is exhausted by Loss relating to one or more Claims, such Limit of Liability shall be automatically reinstated during the Policy Period or any applicable Discovery Period without additional premium provided that:

a. the reinstatement will only apply to Claims made against the Association and notified to the Insurer during the Policy Period or Discovery Period which are unrelated to Claims previously notified to the Insurer; and

b. such reinstatement shall only be made once and shall be limited to the amount of the original Limit of Liability.

This Additional Extension does not apply to any sub-limits of liability applicable to this Policy.

6.3 Additional Exclusions

Unless otherwise stated, each of the General Exclusions automatically applies to this coverage Section. The following Additional Exclusions apply only to this coverage Section and any endorsements relevant to this Section (unless otherwise provided for, expressly or by implication, in the endorsement).

The Insurer will not provide coverage for any Claim or Loss:

6.3.1 Bodily Injury and Property Damage

for bodily injury, sickness, disease, death or emotional distress, or damage to or destruction, impairment or loss of the use of any property. This exclusion does not apply to emotional distress alleged in any Claim.

6.3.2 Failure to Fund a Plan

for or arising out of, based upon or attributable to a failure to fund a Plan in accordance with the Plan trust document or instrument, or the failure to collect contributions owed to the Plan. This Exclusion does not apply to Defence Costs.

Section 7: General Extensions

Unless otherwise stated, these General Extensions automatically apply to each of coverage Sections: 1, 2, 3, 4 and 6. Each General Extension is subject to all the provision of this Policy, including the provisions of such coverage Section or Sections.

7.1 Advance Payment of Costs

Except to the extent that the Insurer has denied coverage for any Claim or Investigation, the Insurer shall advance Defence Costs, Investigations Costs, Extradition Costs, Bail Bond and Civil Bond Premium and Public Relations Costs promptly after sufficiently detailed invoices for those costs are received by the Insurer.

Where a Claim contains allegations that the Insured has engaged in conduct of a type referred to in General Exclusion 8.2 (Conduct), the Insurer will not deny indemnity until such time as a written admission by the Insured, or a judgment, award or other finding by a court, tribunal or arbitrator with jurisdiction to finally determine the matter (including the outcome of any appeal in relation to such judgment, award or other finding) has established such conduct.

The Insured shall reimburse the Insurer for any payments, which are determined not to be covered by this Policy, within 60 days of a written request by the Insurer.

7.2 Continuity

a. Notwithstanding General Exclusion 8.5 'Prior Claims / Known Circumstances', the Insurer will indemnify the Insured for any Claim or loss otherwise covered by this Policy, arising from a Known Circumstance, if:

   i. there has been no fraudulent non-disclosure or fraudulent misrepresentation in respect of such Known Circumstance;

   ii. the Insurer was the professional liability insurer of the Named Entity when the Insured first knew of such Known Circumstance;

   iii. the Insurer continued without interruption to be the Named Entity's professional liability insurer up until this Policy came into effect;

   iv. had the Insurer been notified of the Known Circumstance when the Insured first knew of it, the Insured would have been covered under the policy in force at that time but is not now entitled to be covered by that policy, and the Insured would, but for General Exclusion 8.5 'Prior Claims / Known Circumstances', otherwise be covered under this Policy; and

   v. the Known Circumstance has not previously been notified to the Insurer or to any other insurer.

b. The Insurer's liability under this General Extension 7.2 is reduced to the extent of any prejudice the Insurer suffers as a result of any delayed notification of the Known Circumstance to the Insurer.

c. The limit of liability of the cover the Insurer provides under this Extension 7.2 is the lesser available under the terms of the policy in force at the earlier time referred to in sub-clause (a)(iv) above, or the Limit of Liability under this Policy. The terms of this Policy otherwise apply.

7.3 Court Attendance Costs

The Insurer will pay to any Association $500 per day in respect of any Insured Person, Manager or Superannuation Trustee for each day that such person is required to attend Court as a witness in a proceeding covered by this Policy. No Deductible shall apply to this extension.

7.4 Discovery Period

If this Policy, or any Section of it, is not renewed or replaced at the end of the Policy Period with any other policy that covers similar risk exposures as this Policy, or the relevant Section of it, for any reason other than non-payment of premium, the Insured will be automatically entitled to a Discovery Period of:

a. 90 days from the end of the Policy Period without payment of any additional premium; or

b. 12 months from the end of the Policy Period, subject to the payment of the additional premium set out in the Schedule.

Provided that:

c. where the Insured obtains a replacement policy with any other insurer at any time during the 90 day period referred to in sub-clause (a) above, that Discovery Period will, from the date on which such replacement policy becomes effective, no longer apply;

d. if the Insured wishes to exercise its right to the Discovery Period referred to in sub- clause (b) above, it shall give written notice to that fact and pay the premium not later than 30 days after the end of the Policy Period. The Discovery Period referred to in sub-clause (b) above is non-cancellable, other than by the Insurer pursuant to General Provision 9.10 (Cancellation).

This General Extension is not available in the event that an Association ceases operations, merges with or is acquired by another entity, or an administrator, receiver, provisional liquidator or liquidator is appointed to any Association, but only in relation to that entity.

7.5 Emergency Costs

If, due to an emergency, the Insurer's prior written consent cannot reasonably be obtained as required by this Policy before Defence Costs and Investigation Costs are incurred, the Insurer will give retrospective approval of such costs.

The coverage under this General Extension is sub-limited to the greater of $250,000 or 10% of the Limit of Liability for the relevant coverage Section, and in the aggregate for all such costs.

7.6 Legal Consultation

During the Policy Period the Named Entity is entitled to free legal advice from the appointed firm and nominated legal practitioner listed below, provided that:

a. legal advice is only available for matters that may result in indemnification under this Policy;

b. entitlement to legal advice is limited to a maximum of 1 hour for any one matter, and 2 hours in total for the Policy Period. Any unused time cannot be aggregated from one policy period to another;

c. the Schedule must be provided to the legal practitioner when requesting legal advice under this General Extension 7.4. If the Schedule is not presented, then no legal advice can be sought.

d. The Insurer reserves the right to change the appointed firm or nominated legal practitioner at any time. Changes to the appointed firms and nominated legal practitioners will be notified to the Named Entity on request.

e. the Named Entity may not seek legal advice on this Policy or other indemnity issues concerning insurance policies issued by the Insurer under this General Extension 7.6.

If cover under this Policy is sought by an Insured in respect of any matter on which the Named Entity has sought legal advice under this General Extension 7.4 from the appointed firm or nominated legal practitioner, the Insured authorises the Insured (at the Insurer's discretion) to engage the appointed firm to represent the Insured and authorises the appointed firm when engaged to disclose to the Insurer any information obtained in the course of tendering advice to the Insured.

7.7 Public Relations Costs

The Insurer will pay to on behalf of an Insured, any Public Relations Costs incurred by or on behalf of the Insured in connection with any Claim or Investigation first made or commenced against that Insured and notified to the Insurer during the Policy Period, or any applicable Discovery Period, in order to prevent, limit and/or control any negative or potentially negative effect of adverse publicity on the reputation of that Insured.

The coverage provided under this General Extension is sub-limited to the sum of $1,000,000 any one Claim or Investigation and in the aggregate.

7.8 New Subsidiaries

a. Subject to sub-clause (b) below, if during the Policy Period an Association acquires or creates a New Subsidiary, the coverage provided by this Policy shall extend to that New Subsidiary, but only for Loss arising from any Claim which is in respect of acts or omissions occurring after the creation or acquisition of the New Subsidiary;

b. if the Association acquired or creates any Subsidiary during the Policy Period which does not satisfy either or both of conditions (a) or (b) of Definition 10.50, the Insurer will nevertheless extend coverage, subject to all the other provisions of this Policy, to that Subsidiary from the date of acquisition or creation for a period of 60 days only;

c. the Insurer may (but shall not be obliged to), at the request of the Named Entity, extend coverage to such Subsidiary to the end of the Policy Period upon the Insured:

   i. providing such additional information;

   ii. agreeing to pay such additional premium (if any) to reflect an increased risk of loss or damage; and

   iii. agreeing to such provisions in respect of that Subsidiary, as are reasonable for the Insurer at the time.

7.9 Run-off Cover for Former Subsidiaries

In the event of a Subsidiary ceasing to be a Subsidiary (whether before or after the commencement of the Policy Period) the Insurer will pay to or on behalf of any Insured, Loss arising from any Claim first made or commenced against that Subsidiary and notified to the Insurer during the Policy Period, or any applicable Discovery Period, relating to that Subsidiary, provided such Claim is in respect of acts or omissions occurring prior to the Subsidiary ceasing to be a Subsidiary.

7.10 Run-off to Expiry of Policy Period

In the event that any Association is merged into, acquired by or comes under the control of another entity, or otherwise ceases to perform or be involved in the performance of the Insured Services during the Policy Period, the coverage provided to such Association by this coverage section shall continue until the end of the Policy Period, provided that such coverage is for:

a. civil liability arising from an act, error or omission in the performance of the Insured Services; or

b. a Wrongful Act, Association Wrongful Act, or Employment Wrongful Act,

committed prior to the date such Association ceased to perform or be involved in the performance of the Insured Services, or was merged into, acquired by or came under the control of another entity.

7.11 Scheme Run-Off

In the event that any Association is merged into, acquired by or comes under the control of another entity, ceases to operate, or otherwise ceases to perform or be involved in the performance of the Insured Services prior to the commencement of or during the Policy Period, the coverage provided to such Association by this Policy shall be extended for 84 months from the expiry date as shown in the Schedule.

Provided that:

a. such coverage is for:

   i. civil liability arising from an act, error or omission in the performance of the Insured Services; or

   ii. a Wrongful Act, Association Wrongful Act, or Employment Wrongful Act,

   committed prior to the date such Association ceased to operate, ceased to perform or be involved in the Insured Services, or was merged into, acquired by or came under the control of another entity; and

b. the Association was insured under this Policy, or under a policy which was a predecessor to this Policy under the same antecedent Aon group scheme facility, at the time such Association ceased to operate, ceased to perform or be involved in the Insured Services, or was merged into, acquired by or came under the control of another entity.

c. the Insured agrees the Limit of Liability under this Policy shall not accumulate with the policy limits under any previous policy which was a predecessor to this Policy.

Section 8: General Exclusions

Unless otherwise stated, these General Exclusions automatically apply to each of coverage Sections: 1, 2, 3, 4, 5 and 6. They also apply to the General Extensions and any endorsements (unless otherwise stated, expressly or by implication, in the endorsements). In the event of any conflict between a General Exclusion and an Additional Exclusion in the coverage Section being considered, the Additional Exclusion shall prevail.

Subject always to General Extension 7.1 (Advance Payment of Costs), the Insurer will not provide coverage to any Insured:

8.1 Asbestos

for any Claim or Loss for or arising out of, based upon or attributable to asbestos.

8.2 Conduct

for any Claim or Loss for or arising out of, based upon or attributable to:

a. a fraudulent or dishonest act or omission;

b. a wilful breach of duty, or wilful violation or breach of any law or regulation;

c. the improper use of information acquired by any Insured Person, Manager or Superannuation Trustee by reason of their position, to gain advantage for themselves or any other person, or to cause detriment to an Association or Plan;

d. the improper use by any Insured Person, Manager or Superannuation Trustee of their position to gain an advantage for themselves, or for any other person, or to cause detriment to the Association or Plan; or

e. in relation to any Association or corporate Superannuation Trustee, any conduct of a type referred to in sub-clause (a) or (b) above committed by any Association or Plan,

but only in the event that any of the above is established by a written admission by the Insured, or by judgement, award or other finding by a court, tribunal or arbitrator with jurisdiction to finally determine the matter, including the outcome of any appeal in relation to such judgement, award or other finding.

Provided that this General Exclusion shall not apply to any Insured who:

f. is not the perpetrator of; or

g. did not know of; or

h. has not condoned, such act, omission, violation or breach

This General Exclusion shall not apply in relation to the cover provided by Section 5 (Employee Fraud or Dishonesty) of this Policy.

8.3 Foreign Jurisdiction (Jurisdictional Limits)

for any Claim

a. first brought in or determined pursuant to the law of, the United State of America or its territories or protectorates; or

b. arising out of the enforcement of judgements, orders or awards obtained in or pursuant to the laws of the United State of America or its territories or protectorates; or

c. where the proper law of the United State of America or its territories or protectorates is applied to any of the issues in any Claim covered by this Policy.

8.4 Investment Advice

for any Claim or Loss for or arising out of, based upon or attributable to any advice or forecast given by an Insured in relation to the performance of an asset or investment or in the making of any discretionary fund decision by the Insured.

8.5 Prior Claims/Known Circumstances

a. Claims or Covered Claims:

   i. known at the inception date of this Policy; or

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

   iii. disclosed in the proposal for insurance or arising from facts or circumstances which may give rise to a Claim or Covered Claim disclosed in the proposal for insurance; or

   iv. if this Policy is endorsed or amended midterm, for any Claim or Covered Claim that arose from a Known Circumstance (as at the effective date of the amendment / endorsement) to the extent that the Claim or Covered Claim would not have been indemnified by the Policy before such amendment / endorsement.

For the purpose of this General Exclusion 8.5(a), 'Covered Claim' shall mean the:

   v. Claims, liabilities, losses, costs, and other matters indemnified under the Policy; or

   vi. circumstances which may give rise to any of the matters set out in (a) above, in respect of which the Insurer elects to protect the Insured's or the Insurer's position pursuant to the terms and conditions of the Policy

b. For Direct Financial Loss:

   i. of which the Association or a Responsible Person had knowledge at, or prior to, the start of the Policy Period; or

   ii. arising out of, based upon or attributable to losses disclosed in the proposal. This General Exclusion is subject always to General Extension 7.2 (Continuity).

8.6 Radioactivity

for or arising out of, based upon or attributable to any radioactive, toxic, contaminating, explosive or other hazardous properties of any nuclear or atomic operation, installation, reactor, assembly, component, device, weapon, material, fuel or waste from the combustion of nuclear fuel.

Provided that this General Exclusion shall not apply to:

a. in respect of Coverage Section 1, Claims arising from the use of radio-isotopes, radium or radium components when used in or incidental to the performance of the Insured Services when used away from the place of manufacture or productions and their use is incidental to ordinary industrial, educational, medical or research pursuits; or

b. in respect of Coverage Sections 2 through 7, the incidental use of any radioisotopes or radium compounds in any industrial, educational, medical or research pursuits.

8.7 Retroactive Date

for or arising out of, based upon or attributable to any act, error or omission occurring or committed by or on behalf of the Insured prior to the Retroactive Date set out in the Schedule.

8.8 Sanctions

for any Claim or Loss for or arising out of, based upon or attributable to the provision of cover or a benefit under this Policy to the extent that such provision of such cover or benefit would contravene any sanction, prohibition or restriction under any United Nations resolutions or the trade of economic sanctions, law or regulations of the European Union, United Kingdom or United States of America.

8.9 Securities Offering

for any Claim or Loss for or arising out of, based upon or attributable to the actual or intended public offering of any share capital of the Association.

8.10 War and Terrorism

for or arising out of, based upon or attributable to:

a. war, invasion, civil or military uprisings or the usurping of government power; or,

b. any Act of Terrorism; or

c. any action taken to control, prevent, suppress, retaliate against or respond to any Act of Terrorism.

Section 9: General Provisions

Unless otherwise stated, these General Provisions automatically apply to each of the Coverage Sections 1, 2, 3, 4, 5 and 6. They also apply to the General Extensions and any endorsements (unless otherwise stated, expressly or by implication, in the endorsements).

The Insured has certain responsibilities that are set out in this section and in the Policy. These responsibilities also apply to any person that is covered by the Policy.

If the Insured does not meet these responsibilities, and such failure contributes to the loss, damage, or liability, the Insurer may refuse to pay a Claim or reduce cover under the Policy. The Insurer may also decide to cancel the Policy if permitted in accordance with the provisions of the Insurance Contracts Act 1984.

The course of action the Insurer takes when the Insured fails to do any of these things 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 changes the Insurer's liability under the Policy.

9.1 Limits of Liability

Subject to the provisions of:

a. Reinstatement clauses: 1.2.6, 2.2.4, 3.2.6, 4.2.2, 5.2.3 and 6.2.3; and

b. General Provision 9.12 (Goods and Services Tax (GST)),

the total amount payable by the Insurer for any one Claim (or related Claims deemed to be one Claim pursuant to General Provision 9.9) and in the aggregate for all Claims during the Policy Period and any applicable Discovery Period shall not exceed the Limit of Liability.

Provided that:

c. Sub-limits of liability are part of, and not in addition to, the Limit of Liability. The Insurer's total liability for Loss (or other payments) in respect of which a sub-limit applies shall be that sub-limit.

d. The Limit of Liability shall not accumulate from year to year or from Policy Period to Policy Period.

9.2 Deductible

a. A single Deductible shall, subject to General Provision 9.9 (Related Claims), apply per Claim.

b. A single Deductible shall, subject to General Provision 9.9 (Related Claims), apply per Direct Financial Loss.

c. Should more than one Deductible apply for any claim made under any part of this Policy such Deductibles shall not be aggregated and only the highest single Deductible shall apply.

d. The Insurer shall be liable only for loss which exceeds the Deductible.

e. The Deductible is to be borne by the Insured and shall remain uninsured.

f. The Deductible does not apply to the Loss of any Manager under Section 2 or any Superannuation Trustee under Section 6 of this Policy, unless the Manager or Superannuation Trustee has been indemnified by the Association or Plan for that Loss, in which case the Insurer shall only be liable for the amount of Loss which exceeds the Deductible.

g. The Deductible is not part of the Limit of Liability.

9.3 Responsibilities and Notification of Change of Material Risk

a. The Insured must as soon as reasonably possible advise the Insurer in writing of a material change in the risk, including but not limited to notifying the Insurer if any of the following occurs during the Period of Insurance:

   i. undertaking activities that are materially different from the Insured Services;

   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 Services; or

   iii. the Insured being insolvent, bankrupt or in liquidation; or

   iv. a Run-Off event.

b. When the Insurer receives notification of a change, it 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 the Insurer may make changes to this Policy as a result of a change in information. When there is a change, the Insured will be informed.

d. If the Insured does not notify the Insurer of a material change, the Insurer may refuse to pay a Claim or reduce cover under the Policy. The Insurer 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 the Insurer takes when the Insured fails to notify it 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 changes the Insurer's liability under the Policy.

9.4 Notification

a. On the Insured becoming aware of any:

   i. Claim or Investigation; or

   ii. Direct Financial Loss,

   the Insured shall give written notice to the Insurer as soon as reasonably practicable and in any event no later than the expiration of the Policy Period or any applicable Discovery Period.

b. The Insured shall give to the Insurer such information and co-operation as it may reasonably require, including, where reasonably possible: a description of the Claim, Investigation or Direct Financial Loss, the nature of the allegation of civil liability, the nature of any alleged or potential loss, the names of actual or potential claimants, and the details of the Official Body or Dispute Resolution Body conducting the Investigation. The Insurer will only request information and co-operation relevant to handling the claim and will explain why the information and co-operation is required.

9.5 Defence and Settlement of Claims (Sections 1, 2, 3, 4 and 6)

In respect of Sections 1, 2, 3, 4 and 6:

a. The Insurer has the right, or where the Insurer has confirmed coverage and the Insured so requests, the duty, to conduct the defence of and/or settle any Claim, in the Insured's name.

b. The Insured shall do, and concur in doing, all things reasonably practicable to avoid or diminish any Loss under this Policy, and shall give such information and assistance to the Insurer as the Insurer may reasonably require to enable it to investigate any Claim under the Policy and determine its liability under this Policy.

c. The Insured shall not admit or assume liability for, or make any payment in connection with, conduct or negotiations for, or agree to any settlement or judgment in respect of any Claim without the Insurer's prior written consent (which will not be unreasonably withheld or delayed), or as provided for in General Provision 9.7 (Settlement of Disputes).

9.6 Allocation (Sections 1, 2, 3, 4 and 6)

In respect of Sections 1, 2, 3, 4 and 6:

a. Where any Loss is incurred in respect of any Claim arising from both matters covered and matters not covered by this Policy, or in respect of both insured and uninsured parties, then the Insurer and the Insured shall make all reasonable efforts to agree on an equitable allocation having regard to the legal and financial exposures of the parties to such matters.

b. If an allocation cannot be agreed, then the parties shall abide by the opinion and recommendations (which opinion shall be provided as an expert and not as an arbitrator) of a senior lawyer to be mutually agreed upon by the Insured and the Insurer, or in the absence of mutual agreement to be appointed by the President of the Law Society or equivalent organisation in the jurisdiction in which the Claim was made. The senior lawyer's recommendations shall take account of the matters referred to in General Provision 9.6(a) above.

c. The costs of the senior lawyer's opinion and recommendations shall be borne by the Insurer.

9.7 Settlement of Disputes (Sections 1, 2, 3, 4 and 6)

In respect of Sections 1, 2, 3, 4 and 6:

Should a dispute arise between the Insured and the Insurer as to whether either party should be required to defend or contest any Claim, the parties agree to the appointment of a senior lawyer (to be mutually agreed upon by the Insured and the Insurer, or in the absence of mutual agreement to be appointed by the President of the Law Society or equivalent organisation in the jurisdiction in which the Claim was made) to provide an opinion (which opinion shall be provided as an expert and not as an arbitrator) and make recommendations as to whether or not such Claim should be defended or settlement attempted. The costs of the senior lawyer's opinion and recommendations shall be borne by the Insurer.

The senior lawyer shall take into consideration all relevant issues including the economics of the matter, the damages and costs which are likely to be recovered by the claimant, the likely costs of defence and the prospects of the Insured successfully defending the Claim.

If the senior lawyer recommends that settlement should be attempted and the Insured agrees, the Insurer shall abide by that recommendation.

If the Claim is capable of being settled in accordance with the senior lawyer's recommendation and the Insured refuses to consent, the Insurer's liability for all Loss on account of that Claim (subject always to the application of the Deductible) shall not exceed the amount for which the Insurer could have settled the Claim plus the Defence Costs and Investigation Costs (if any) incurred to the date such consent was refused.

9.8 Subrogation

If any payment is to be made under this Policy in respect of a Claim or Investigation, the Insurer shall be subrogated to all rights of recovery of the Insured. The Insurer shall be entitled to pursue such rights in the name of the Insured who shall provide the Insurer with all reasonable assistance and cooperation. The Insurer will only request assistance and cooperation relevant to handling the claim and will explain why the assistance and cooperation is required.

In doing so, including the execution of any necessary instruments and papers. The Insured shall do nothing to prejudice these rights. Any amount recovered in excess of the Insurer's total payment shall be restored to the Insured less the cost to the Insurer of such recovery.

9.9 Non-Imputation, Severability and Non-Avoidance

a. This Policy, including any amendment, renewal or variation or endorsement of it, shall be construed as if each insured party had made a proposal, application or request for the Policy, amendment, renewal, variation or endorsement in respect of their interest only.

b. Subject to d. below, statements made, or information possessed by an Insured shall not be imputed to any other Insured.

c. The acts or omissions of one Insured shall not prejudice the rights of any other Insured under the Policy, it being intended that this Policy shall be construed as if a separate contract of insurance has been entered into by each Insured, but not so as to increase the Insurer's Limit of Liability.

d. Only the statements, information, knowledge, acts and omissions of any past, present or future Chairman of the Board of Directors, Chief Executive Officer, Chief Operating Officer or Chief Legal Counsel (or a person operating in an equivalent capacity) of an Association shall be imputed to such Association.

9.10 Related Claims

a. All Claims:

ii. arising out of, based upon or attributable to a single act, error or omission; or

iii. involving an act, error or omission caused by or attributable to one originating source or cause,

shall be considered to be one Claim and will be subject to one Deductible.

b. In respect of Section 5, all loss resulting from a single act or any number of acts of the same Employee and all causally connected or inter-related acts (whether such acts occurred before or during the Policy Period) will be treated as a single Direct Financial Loss and will be subject to one Deductible

9.11 Cancellation

a. The Insurer may only cancel this Policy pursuant to the Insurance Contracts Act 1984 (Cth).

b. The Named Insured may cancel this Policy at any time by giving written notice to the Insurer.

The Insurer may retain the pro rata proportion of the premium. However, in the event of the notification of a claim which is covered under the Policy, or a notification pursuant to the Insurance Contracts Act 1984 (Cth) being given by an Insured prior to cancellation, the premium shall be regarded as fully earned and shall be retained by the Insurer.

9.12 Policy Interpretation

Headings are included for convenience only and do not affect interpretation of the Policy.
Words and expressions in the singular shall include the plural and vice versa. Words in bold type have special meaning and are defined in the Policy. Words that are not specifically defined in this Policy have the meaning normally attributed to them.

9.13 Goods and Services Tax (GST)

a. Where the Insurer makes a payment under this Policy for the Acquisition of goods, services or other Supply, the amount of the payment will be reduced by the amount of any Input Tax Credit that the Insured is, or will be, entitled to in relation to that Acquisition, whether or not the Insured makes that Acquisition.

b. Where the Insurer makes a payment under this Policy as compensation instead of payment for the Acquisition of goods, services or other Supply, the Insurer will reduce the amount of the payment by the amount of any Input Tax Credit that the Insured would have been entitled to had the payment been applied to acquire such goods, services or other Supply.

c. Any GST amount paid by the Insurer shall be in addition to the Limit of Liability specified in the Schedule.

d. No payment shall be made to the Insured for any GST liability that they may acquire upon settlement of a Claim if the Insured has not informed the Insurer of its correct Taxable Percentage.

e. Input Tax Credit, Acquisition and Supply have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time. Taxable Percentage is the Insured's entitlement to an Input Tax Credit on the premium as a percentage of the total GST on that premium.

9.14 Governing Law

This Policy is to be construed, and any dispute in respect of this Policy is to be determined, in accordance with the laws of the Commonwealth of Australia and the Australian State or Australian Territory in which the Policy is issued. The parties agree to submit to the exclusive jurisdiction of the Australian courts.

9.15 Other Insurance

If the Insured makes a claim under this Policy in respect of which the Insured is or may be indemnified in whole or part under any other insurance, then the Insured must advise the Insurer of the full details of such other insurance when making the claim under this Policy. Subject to the provisions of the Insurance Contracts Act 1984 (Cth), the Insurer reserves its rights to seek contribution from such other insurers.

This Policy shall apply in excess of and shall not contribute to any policy arranged by any other party which has been endorsed to name the Insured as a beneficiary of cover under that policy and where the Insured is a non-contracting party to that policy.

9.16 Authorisation

It is agreed that the Named Entity acts on behalf of all Insureds with respect to the:

a. giving of notice of any matter required under this Policy; and

b. giving or receiving any notice of cancellation; and

c. payment of premium and the receipt of any refund of premium that may become due; and

d. negotiation and receipt of any endorsement.

9.17 Assignment

This Policy and any rights under or in respect of it cannot be assigned without the prior written consent of the Insurer.

9.18 Preservation of Right to Indemnity

If the Association or Plan (or New Subsidiary whilst it is covered under this Policy) is legally required or permitted to indemnify any Manager or Superannuation Trustee for Loss but fails or refuses to do so to the fullest extent permitted by law, the Insurer will pay the Loss on behalf of the Manager or Superannuation Trustee. In such event, the Association or Plan (or New Subsidiary) is required to pay the Insurer the Deductible specified in the Schedule in respect of Insuring Clause 2.1.2 and Insuring Clause 6.1.2 unless the Association or Plan (or New Subsidiary) is unable to pay due to insolvency.

Section 10: Definitions

Unless otherwise stated, these Definitions automatically apply to all the provisions of this Policy.

10.1 Act

means any of the following legislation:

a. Competition and Consumer Act 2010 (Cth),

b. Privacy Act 1988 (Cth);

c. Corporations Act 2001 (Cth)

d. Associations Incorporation Act 2009 (NSW);

e. Work Health and Safety Act 2011 (Cth);

including any:

f. amendment, replacement or re-enactment of the legislation; and

g. regulation or other subordinate legislation made under the legislation; and

h. equivalent legislation in any Australian State or Territory, or in New Zealand.

10.2 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 or similar purposes or reasons with the intention to influence any government and/or to put the public, or any section of the public, in fear.

10.3 Association

means the Named Entity and every Subsidiary at the commencement of the Policy Period.
For the purposes of General Exclusion 8.2 (Conduct) only, the definition of Association shall also include an Outside Entity.

10.4 Association Wrongful Act

means any actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, omission, breach of warranty of authority or other act done or wrongly attempted by any Association.

10.5 Bail Bond and Civil Bond Premium

means the reasonable premium (but not collateral) for a bond or other financial instrument, incurred with the Insurer's prior written consent (which shall not be unreasonably withheld or delayed), to guarantee a Manager's contingent obligation for a specified amount required by a court hearing a Claim.

10.6 Claim means:

a. for the purposes of Section 1, any:

   i. written or oral demand; or

   ii. civil, regulatory, arbitration or dispute resolution proceeding,

   for compensation and/or non-pecuniary relief made or commenced against the Insured arising from the performance of the Insured Services.

b. for the purposes of Section 2, any:

   i. written or oral demand for compensation or non-pecuniary relief;

   ii. Civil, regulatory, arbitration or dispute resolution proceeding; or

   iii. Criminal proceeding, alleging a Wrongful Act; or

   iv. Employment Claim; or

   v. Extradition Proceeding.

c. for the purposes of Section 3, any:

   i. written or oral demand for compensation or non-pecuniary relief; or

   ii. Civil, regulatory, arbitration or dispute resolution proceeding; alleging a Wrongful Act.

d. for the purposes of Section 4, an Employment Claim.

e. for the purposes of Section 6, any:

   i. written or oral demand for compensation or non-pecuniary relief;

   ii. Civil, regulatory, arbitration or dispute resolution proceeding; or

   iii. Criminal proceeding, alleging a Wrongful Act.

10.7 Crisis

means any one of the following events, which in the reasonable opinion of the managing director or chief executive officer (or equivalent position in any Association), has the potential to cause a greater than 30% decrease of the total consolidated annual revenue of the Association (by reference to the most recent financial report of the Association):

a. the loss of the Association's intellectual property rights, including patents, trade trademarks or copyrights;

b. the loss of a major customer or contract of the Association;

c. the loss or cancellation of any funding agreement;

d. the recall of any product which has been manufactured, produced, packaged, sold or distributed by the Association, due to its potential to cause bodily injury or property damage to others;

e. any act occurring on the premises of the Association which causes injury, death or emotional distress to an Insured Person or a customer or visitor of the Association; or

f. any destruction or damage to tangible property belonging to the Association which is not caused by a natural disaster.

10.8 Crisis Costs

means expenses incurred by an Association with the Insurer's prior written consent (which shall not be unreasonably withheld or delayed) as a result of the appointment of a crisis management consultant for the purpose of managing a Crisis in the circumstances described in Additional Extension 3.2.2 (Crisis Costs).

10.9 Deductible

means the amount specified in the Schedule.

10.10 Defence Costs

means reasonable fees, costs and other expenses (other than regular or overtime wages, salaries, fees or commissions payable to any Insured, or any other internal expenses of the Insured) reasonably incurred with the prior written consent of the Insurer (which shall not be unreasonably withheld or delayed) by or on behalf of the Insured in the investigation, defence, settlement or appeal of any Claim or any Employment Claim.

10.11 Direct Financial Loss

means direct financial loss of money, bearer bonds, coupons, bank notes, coins, currency notes, securities, negotiable instruments or stamps in consequence of a single act, or series of continuous or repeated acts, of an Employee.

Direct Financial Loss will not include:

a. Salary, wages, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or any other remuneration;

b. Costs, fees or other expenses in establishing the existence or amount of the Direct Financial Loss, except as provided in Additional Extension 5.2.1 (Investigative Fees).

10.12 Disclosure Document

means any prospectus, product disclosure statement, information memorandum, registration statement or similar document whether or not it has been or is required to be filed with the Australian Securities Investments Commission, the United States of America's Securities and Exchange Commission or any similar regulatory authority in any other jurisdiction.

10.13 Discovered

means the knowledge of any Direct Financial Loss by a Responsible Person or the Association.

10.14 Discovery Period

means the period immediately following the end of the Policy Period during which written notice may be given to the Insurer of a Claim first made or commenced, or Investigation first notified, during that period, or the Policy Period. Provided that any Claim or Investigation notified during such Discovery Period arises from a Wrongful Act, Association Wrongful Act or Employment Wrongful Act occurring prior to the end of the Policy Period.

10.15 Dispute Resolution Body

means a self-regulatory, professional or industry body or institution:

a. which is established pursuant to any law of the Commonwealth of Australia or any State or Territory of the Commonwealth; and

b. of which the Insured is a member; and

c. whose conduct is bound by the rules of natural justice; and which has the power by reason:

   i. of its status pursuant to sub-clause (a); or,

   ii. the Insured's membership of such self-regulatory, professional, or industry body or institution, to resolve disputes between the Insured and its customers or clients.

10.16 Employee

means any person who is, was or becomes engaged as:

a. a person (whether full-time, part-time, casual, apprenticed or engaged for work experience) under a contract of employment with an Association or Plan, or with a New Subsidiary whilst it is covered under the Policy; or

b. a secondee, student or volunteer working under the direct control and supervision of an Insured.

Other than in relation to a secondee or volunteer, Employee does not include consultants, independent contractors, or other agents of an Association, Plan or a New Subsidiary, nor their respective employees (including the employees of labour-hire agencies).

10.17 Employment Claim

means any:

a. civil, arbitration or dispute resolution proceeding; or

b. written or oral demand for monetary relief or non-pecuniary relief; made, or communicated to or commenced against an Insured by or on behalf of any past, present or prospective Employee of the Insured alleging an Employment Wrongful Act; or

c. Investigation

in relation to any actual or alleged Employment Wrongful Act.

10.18 Employment Wrongful Act

means any actual or alleged act, error or omission with respect to the employment of a past, present or future Employee of any Association, or the prospective employment of any person.

10.19 External Administrator

means any liquidator, receiver, receiver and manager, administrator, controller, or holder of similar office or position in any jurisdiction.

10.20 Extradition Costs

means the reasonable legal fees, costs and expenses incurred by or on behalf of an Insured Person with the Insurer's prior written consent (which shall not be unreasonably withheld or delayed) to obtain legal advice or bring or defend proceedings including by way of judicial review of proceedings, for extradition in respect of a Claim covered under Section 2 of the Policy.

Extradition Costs also include:

a. reasonable fees incurred by or on behalf of the Insured Person, with the Insurer's prior written consent (which will not be unreasonably withheld or delayed) of a counsellor or tax advisor in respect of an extradition proceeding covered under Management Liability (Part B) of this Policy; and

b. reasonable travel, accommodation and living-away-from-home expenses of the lawful spouse or domestic partner of an Insured Person in attending any hearing of such extradition proceeding against that Insured Person.

10.21 Geographical Limits

means anywhere in the world except the United States of America and Canada.

10.22 Insured

means:

a. for the purposes of Section 1, any:
   i. Association;
   ii. New Subsidiary whilst it is covered under this Policy;
   iii. Insured Person;
b. for the purposes of Section 2, any:
   i. Association;
   ii. New Subsidiary whilst it is covered under this Policy;
   iii. Manager;
c. for the purposes of Section 3, any:
   i. Association;
   ii. New Subsidiary whilst it is covered under this Policy;
d. for the purposes of Section 4, any:
   i. Association;
   ii. New Subsidiary whilst it is covered under this Policy;
e. for the purposes of Section 5, any:
   i. Association;
   ii. New Subsidiary;
f. for the purposes of Section 6, any:
   i. Association;
   ii. New Subsidiary whilst it is covered under this Policy;
   iii. Plan; or
   iv. Superannuation Trustee
g. with respect to any natural person Insured Person, Manager or Superannuation Trustee, any:
   i. spouse or domestic partner of such Insured Person, Manager or Superannuation Trustee solely by reason of:
      1. their status as such; or
      2. such spouse or domestic partner's ownership interest in property which the claimant seeks to recover in relation to Claims made against such Insured Person,
   ii. heir, executor, administrator or legal representative of such Insured Person, Manager or Superannuation Trustee in the event of the death or incapacity of the Insured Person, Manager or Superannuation Trustee.

10.23 Insured Person

means any natural person who was, now is or during the Policy Period becomes a director or officer, partner, principal, committee member or Employee of:

a. an Association; or

b. any New Subsidiary whilst it is covered under this Policy,

but only whilst acting in that capacity. Insured Person includes any person who is or was a member of any fund raising or ethics committee of the Association or New Subsidiary, but only in respect of Claims or Loss arising from such committee activities sanctioned by and undertaken on behalf of the Association or New Subsidiary and in connection with the Insured Services.

10.24 Insured Services

means the services which are set out in the Schedule.

10.25 Insurer

means the insurer named in the Schedule.

10.26 Investigation

means any hearing, investigation, examination or enquiry by any Official Body or Dispute Resolution Body which arises as a result of written notice given:

a. to the Insured by the Official Body or Dispute Resolution Body of its intention to conduct such hearing, investigation, examination or enquiry; or,

b. by the Insured to the Official Body in relation to any matter which the Insured believes may be a breach of its legal or regulatory obligations which if known to the Official Body would be likely to give rise to a hearing, investigation, examination or enquiry by such Official Body.

10.27 Investigation Costs

means the reasonable legal and other professional fees, costs and expenses (other than regular wages, salaries fees or commissions payable to any Insured, or any other internal expenses) reasonably incurred with the prior written consent of the Insurer (which shall not be unreasonably withheld or delayed) by or on behalf of the Insured in the preparation for, or representation or attendance at, any Investigation including the preparation of and provision of documents to an Official Body.

10.28 Known Circumstance

means any fact or circumstance which:

a. the Insured was aware of prior to inception of this Policy (or the date of any amendment or endorsement to it) and knew; or

b. a reasonable person engaged in the performance of services of the same type as the Insured Services prior to inception of this Policy (or the date of any amendment or endorsement to it) would have thought, might result in:

   i. an allegation against the Insured of civil or criminal liability that; or

   ii. an Investigation that;

might be covered by this Policy (or any amendment or endorsement to it).

10.29 Limit of Liability

means the amount specified in the Schedule as applying to the particular Section.

10.30 Loss

a. means, for the purpose of Sections 1, 3, and 4:
   i. any amount which an Insured becomes legally liable to pay for:
      1. damages (including interest) and costs awarded against an Insured;
      2. settlements;
      3. Defence Costs;
      4. Investigation Costs;
      5. Public Relations Costs; or
   ii. Any amount which an Insured pays pursuant to an award or finding made by a Dispute Resolution Body;

b. means, for the purposes of Sections 2:
   i. any amount which an Insured becomes legally liable to pay for:
      1. damages (including interest) and costs awarded against an Insured;
      2. aggravated, punitive, multiple or exemplary damages;
      3. settlements;
      4. Defence Costs;
      5. Investigation Costs;
      6. Pecuniary Penalties;
      7. Public Relations Costs;
      8. Extradition Costs;
      9. Bail Bond and Civil Bond Premium; or
   ii. Any amount which an Insured pays pursuant to an award or finding made by a Dispute Resolution Body;

c. means, for the purpose of Section 6, any amount which the Insured becomes legally liable to pay for:
   i. Damages (including interest) and costs awarded against an Insured;
   ii. Settlements;
   iii. Defence Costs;
   iv. Investigation Costs;
   v. Pecuniary Penalties;
   vi. Public Relations Costs; or
   vii. aggravated, punitive, multiple or exemplary damages.

d. does not include:

i. for the purposes of Sections 1, 3, and 4:

1. costs and expenses of complying with any order for non-pecuniary relief;
2. aggravated, punitive, multiple or exemplary damages awarded outside Australia or New Zealand;
3. taxes, duties, fines, penalties or liquidated damages, other than civil penalty orders of a compensatory nature or penalties covered under Extensions 1.2.7 and 3.2.7; and
4. amounts which are uninsurable at law.

ii. for the purposes of Sections 2 and 6:

1. wages, salaries or other remuneration of any Manager or Superannuation Trustee;
2. any employment related benefits;
3. fines or penalties other than Pecuniary Penalties or a compensation order by a court;
4. the multiplied portion of multiple damages awarded outside Australia or New Zealand;
5. taxes other than those covered by Additional Extensions 2.2.6 (Tax Liability) and 3.2.8 (Taxation Audit Costs); and
6. any amounts which are uninsurable at law.

10.31 Manager

means any person who was, now is or during the Policy Period becomes:

a. a director, principal, partner, officer or committee member of an Association (or a New Subsidiary whilst it is covered under this Policy);

b. an Employee of an Association (or a New Subsidiary whilst it is covered under this Policy):

i. who is concerned in or takes part in the management of an Association or New Subsidiary;

ii. with respect to an Employment Claim;

iii. named as a co-defendant with a Manager of an Association or New Subsidiary in a Claim for a Wrongful Act in which that Employee is alleged to have been involved; or

iv. where such Employee is involved in an Investigation;

c. an Outside Entity Director.

Manager does not include any External Administrator.

10.32 Named Entity

means the entity or organisation specified as such in the Schedule.

10.33 New Subsidiary

means any company which becomes a Subsidiary of the Named Insured during the Policy Period, provided that at the date upon which such company became a New Subsidiary it:

a. had total assets (by reference to the Subsidiary's most recent financial statements as at the time of acquisition or creation) that are no greater than the total assets of the Named Entity (by reference to the Named Entity's most recent financial statements as at the time of acquisition or creation); and

b. was not incorporated, domiciled or conducting business in the United States of America.

10.34 Official Body

means any regulator, government body or authority, or governmental or administrative agency having statutory or regulatory authority to investigate or enquire into the conduct of the business of any Insured or Outside Entity, and includes a Royal Commission or other official Commission of Enquiry. Official Body also includes any self-regulatory and professional body legally empowered to investigate the affairs of an Insured.

10.35 Outside Entity

means any entity that is not a Subsidiary. It does not include any entity:

a. which is a financial or credit institution, bank, clearing house, undertaking for the investment of securities, investment firm or adviser or manager, investment or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or similar entity; or

b. which has any securities in the United States of America or its territories or possessions; unless listed by endorsement to this Policy.

10.36 Outside Entity Director

means any natural person who was, is or during the Policy Period begins to serve with the knowledge and consent or at the specific request of the Named Entity, as a director, officer or trustee (or an equivalent position in any jurisdiction) of an Outside Entity.

Provided that:

a. any cover provided under this Policy is specifically excess of any other applicable insurance in force in respect of the Outside Entity and any indemnification provided to the Outside Entity;

b. No cover is available to the Outside Entity;

c. No cover is available to any other director or officer of the Outside Entity.

10.37 Pecuniary Penalties

means fines and pecuniary penalties awarded against any Manager or Superannuation Trustee in or under the laws of the jurisdictions of Australia and New Zealand, provided the Insurer is not legally prohibited from paying the fine or penalty.

10.38 Plan

means any:

a. past or current employee benefit or welfare benefit plan, including any benefit or welfare benefit plan which is:

   i. created or acquired by an Association during the Policy Period;

   ii. merged, transferred or terminated prior to or during the Policy Period; or

b. past or current superannuation plan established, administered or sponsored by the Association,

for the sole benefit of its Employees.

10.39 Policy

means

a. this Policy document; and

b. the Schedule to this Policy document; and

c. the endorsements (if any) attached to this Policy document.

10.40 Policy Period

means the period of time specified in the Schedule, unless the Policy is cancelled, in which event the Policy Period will end on the effective date of the cancellation.

10.41 Pollutant

means, but is not limited to, any solid, liquid, biological, radiological, gaseous or thermal irritant or contaminant, whether occurring naturally or otherwise, including smoke, vapour, soot, fibres, mould, spores, fungus, germs, fumes, acids, alkalis, chemicals, asbestos products or waste.

Waste includes materials to be recycled, reconditioned or reclaimed.

10.42 Pollution

means the discharge, dispersal, seepage, release or escape of Pollutants into or upon land, the atmosphere or water, including any prevention, monitoring, removal, containment, treatment, detoxification, neutralisation, nullification or cleaning up of Pollutants.

10.43 Public Relations Costs

means reasonable fees, costs and other expenses incurred by an Insured with the Insurer's prior written consent (which shall not be unreasonably withheld or delayed) as a result of the appointment of a public relations, media or crisis management consultant or solicitors for the purpose of managing public relations in the circumstances described in General Extension 7.7 (Public Relations Costs).

10.44 Reinstatement Costs

means the cost to the Association of remuneration, or damages calculated by reference to remuneration, payable to any Employee as a result of an order to reinstate or re-employ such Employee, calculated from the date of dismissal or termination until the date of actual reinstatement or re-employment.

10.45 Retroactive Date

means the date specified in the Schedule.

10.46 Responsible Person

means any Employee acting in a directorial or managerial capacity other than any person who has committed any act of fraud or dishonesty.

10.47 Subsidiary

means any company which is a subsidiary of the Named Entity pursuant to the laws of the Commonwealth of Australia or the Australian State or Australian Territory in which this Policy is issued, and includes any other organisation under the control of the Named Entity and over which it is exercising active management.

10.48 Superannuation Trustee

means:

a. any natural person who was, now is or during the Policy Period becomes

   i. a superannuation trustee, committee member, administrator or constructive trustee of a Plan; or

   ii. a director, officer or Employee of an Association, Plan or corporate superannuation trustee company established to act as a superannuation trustee of a Plan, but not an external auditor or insolvency officeholder; or

b. any corporate superannuation trustee company established to act as a superannuation trustee or administrator of a Plan.

10.49 Taxation Audit Costs

means the reasonable fees, costs and expenses of a qualified accountant or registered tax agent (other than remuneration payable to any Insured Person or Employee) incurred by the Association, with the Insurer's prior written consent (which will not be unreasonably withheld or delayed), arising from a Taxation Audit Notice issued to the Association.

10.50 Taxation Audit Notice

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

10.51 Third Party Claim

means any:

a. civil, arbitration or dispute resolution proceeding; or

b. written demand for monetary relief or non-pecuniary relief; alleging harassment or discrimination and made or commenced against an Insured by or on behalf of any natural person third party who is not a past, present or prospective Employee.

10.52 Wrongful Act

means:

a. for the purposes of Section 2, any matter claimed against a Manager solely because of his or her capacity as a Manager or any actual or alleged act, error or omission committed or attempted by any Manager in his or her capacity as such;

b. for the purposes of Section 3, an Association Wrongful Act;

c. for the purposes of Section 4, an Employment Wrongful Act;

d. for the purposes of Section 6:

   i. any matter claimed against a Superannuation Trustee solely because of his or her capacity as a Superannuation Trustee or any actual or alleged act, error or omission committed or attempted by a Superannuation Trustee in his or her capacity as such; or

   ii. any actual or alleged act, error or omission committed or attempted by any Association or Plan in relation to the operation or management of the Plan

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About

Aon is a leading provider of risk management services, insurance and reinsurance broking and employee benefit and risk solutions. Aon professionals meet the diverse and varied needs of our clients through our industry knowledge, technical expertise and global resources.

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