

Chubb ForeFront New Zealand Policy Wording

Policy Number: NZDAOA09893

CHUBB®

Chubb ForeFront New Zealand Policy Wording

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Chubb ForeFront New Zealand Policy Wording

Important Information

Chubb Insurance New Zealand Limited
CU 1-3 Shed 24 Princes Wharf, Auckland 1010
New Zealand
O +61 2 377 1459

In this Important Information section “We”, “Our” and “Us” means Chubb Insurance New Zealand Limited (Chubb).

“You” and “Your” refers to Our customers and prospective customers as well as those who use Our website.

Duty of Disclosure

Your Duty of Disclosure

Before entering into a contract of insurance with Chubb, each prospective insured has a duty to disclose to Chubb information that is material to Chubb’s decision whether to accept the insurance and, if so, on what terms. This includes material information about the insured, any other people and all property and risks insured under the policy. Information may be material whether or not a specific question is asked.

There is the same duty to disclose material information to Chubb before renewal, extension, variation or reinstatement of a contract of insurance with Chubb. You should also provide all material information when You make a claim or if circumstances change during the term of the contract of insurance.

It is important that each prospective insured understands all information provided in support of the application for insurance and that it is correct, as each prospective insured will be bound by the answers and by the information they have provided.

The duty of disclosure continues after the application for insurance has been completed up until the time the contract of insurance is entered into.

Consequences of Non-Disclosure

If an insured fails to comply with their duty of disclosure, Chubb may be entitled, without prejudice to its other rights, to reduce its liability under the contract in respect of a claim or refuse to pay the entire claim. Chubb may also have the right to avoid the contract from its beginning. This means the contract will be treated as if it never existed and no claims will be payable.

Financial Strength Rating

At the time of print, Chubb has an “AA-” insurer financial strength rating given by S&P Global Ratings. The rating scale is:

AAA	Extremely Strong	BBB	Good	CCC	Very Weak	SD or D – selective default or default
AA	Very Strong	BB	Marginal	CC	Extremely Weak	R - Regulatory Action
A	Strong	B	Weak			NR – Not Rated

The rating from ‘AA’ to ‘CCC’ may be modified by the addition of a plus (+) or minus (-) sign to show relative standings within the major rating categories. A full description of the rating scale is available on the S&P Global Ratings [website](#).

Our rating is reviewed annually and may change from time to time, so please refer to Our website for Our latest financial strength rating.

Fair Insurance Code

We are a member of the Insurance Council of New Zealand (**ICNZ**) and a signatory to ICNZ’s Fair Insurance Code (**the Code**). The Code and information about the Code is available at www.icnz.org.nz and on request.



No Financial Advice

The information contained within this policy wording does not take into account Your personal circumstances, objectives, financial situation or needs and does not constitute financial advice. You should consider the terms, conditions, exclusions and limitations of this policy wording, and obtain financial advice if required, before making any decisions about this insurance policy.

Privacy Statement

This statement is a summary of Our privacy policy and provides an overview of how We collect, disclose and handle Your personal information. Our privacy policy may change from time to time and where this occurs, the updated privacy policy will be posted on Our [website](#).

Chubb is committed to protecting Your privacy. Chubb collects, uses and retains Your personal information in accordance with the requirements of New Zealand's Privacy Act, as amended or replaced from time to time.

Personal Information Handling Practices

When do We collect Your personal information?

Chubb collects Your personal information (which may include health information) from You when You interact with Us, including when You are applying for, changing or renewing an insurance policy with Us or when We are processing a claim, complaint or dispute. Chubb may also (and You authorise Chubb to) collect Your personal information from other parties such as brokers or service providers, as detailed in Our privacy policy.

Purpose of Collection

We collect and hold the information to offer products and services to You, including to assess applications for insurance, to provide and administer insurance products and services, and to handle any claim, complaint or dispute that may be made under a policy.

If You do not provide Us with this information, We may not be able to provide You or Your organisation with insurance or to respond to any claim, complaint or dispute, or offer other products and services to You or Your organisation.

Sometimes, We may also use Your personal information for Our marketing campaigns and research, to improve Our services or in relation to new products, services or information that may be of interest to You.

Recipients of the Information and Disclosure

We may disclose the information We collect to third parties, including:

- contractors and contracted service providers engaged by Us to deliver Our services or carry out certain business activities on Our behalf (such as actuaries, loss adjusters, claims investigators, claims handlers, professional advisers including lawyers, doctors and other medical service providers, credit reference bureaus and call centres);
- intermediaries and service providers engaged by You (such as current or previous brokers, travel agencies and airlines);
- other companies in the Chubb group;
- the policyholder (where the insured person is not the policyholder);
- insurance and reinsurance intermediaries, other insurers, Our reinsurers, marketing agencies; and
- government agencies or organisations (where We are required to by law or otherwise).

These third parties may be located outside New Zealand. In such circumstances We also take steps to ensure Your personal information remains adequately protected.

From time to time, We may use Your personal information to send You offers or information regarding Our products that may be of interest to You. If You do not wish to receive such information, please contact Our Privacy Officer using the contact details provided below.

Rights of Access to, and Correction of, Information

If You would like to access a copy of Your personal information, or to correct or update Your personal information, want to withdraw Your consent to receiving offers of products or services from Us or persons We have an association with, please contact the Privacy Officer by posting correspondence to Chubb Insurance New Zealand Limited, PO Box 734, Auckland; telephoning: +64 (9) 3771459; or emailing Privacy.NZ@chubb.com.

How to Make a Complaint

If You have a complaint or would like more information about how We manage Your Personal Information, please review Our [Privacy Policy](#) for more details, or contact Our Privacy Officer at the details above.

You also have a right to address Your complaint directly to the Privacy Commissioner by telephoning 0800 803 909, emailing enquiries@privacy.org.nz or using the online form available on the Privacy Commissioner's website at www.privacy.org.nz.

Complaints and Dispute Resolution

Chubb takes the concerns of its customers very seriously and has detailed complaint handling and dispute resolution procedures that You may access, at no cost to You. To assist Chubb with Your enquiries, please provide Us with Your claim or policy number (if applicable) and as much information as You can about the reason for Your complaint or dispute.

Chubb's complaints and dispute procedures are as follows:

Stage 1 - Complaint Handling Procedure

If You are dissatisfied with any of Chubb's products or services and You wish to lodge a complaint, please contact Us via:

E Complaints.NZ@chubb.com

O 0800 422 346

F +64 9 303 1909

Post:

The Complaints Officer

Chubb Insurance New Zealand Limited

PO Box 734

Shortland Street

Auckland 1140

Stage 2 – Dispute Resolution Procedure

If You are dissatisfied with Chubb's response to Your complaint, You can advise that You wish to take Your complaint to Stage 2 and referred to Chubb's dispute resolution team. Chubb's internal dispute resolution team can be contacted via:

E DisputeResolution.NZ@chubb.com

O +64 9 377 1459

F +64 9 303 1909

Post:

Internal Dispute Resolution Service

Chubb Insurance New Zealand Limited

PO Box 734

Shortland Street

Auckland 1140

Stage 3 - External Dispute Resolution

Chubb is a member of an independent external dispute resolution scheme operated by Financial Services Complaints Limited (FSCL) and approved by the Ministry of Commerce & Consumer Affairs. Subject to FSCL's Terms of Reference, if You are dissatisfied with Our dispute determination or We are unable to resolve Your complaint or dispute to Your satisfaction within two months You may contact FSCL via:

Postal address: PO Box 5967, Lambton Quay, Wellington 6145

O 0800 347 257 (Call Free for consumers) or +64 4 472 FSCL (472 3725)

F +64 4 472 3728

E info@fscl.org.nz

W www.fscl.org.nz

Please note if You would like to refer Your complaint or dispute to FSCL You must do so within 2 months of the date of Our dispute determination.

Further details regarding Our complaint handling and dispute resolution procedures are available from Our website and on request.

Declarations

No.	Title	Description
Item 1:	Principal Organisation:	Rotary International District 9910, 9920, 9940 and 9970 PO Box 1184 AUCKLAND
Item 2:	Policy Period:	From: 31 December 2021
		To: 31 December 2022
		Local time at the address shown in Item 1.
Item 3:	Combined Maximum Limit of Liability: <input type="checkbox"/> Yes - Combined Maximum Aggregate Limit of Liability for all Coverage Sections in Parts 1 and 2 except for Public and Products Liability Coverage : <CombinedLimit> <input checked="" type="checkbox"/> No - No Combined Maximum Limit of Liability for Parts 1 and 2:	
Item 4:	Coverage is only available for the following sections if indicated by X:	
	Part 1 Cover	
	A) Directors' and Officers' Liability Coverage Section	X
	B) Employment Practices Liability Coverage Section	X
	C) Miscellaneous Professional Liability Coverage Section	X
	D) Crime Coverage Section	X
	E) Kidnap, Ransom and Extortion Coverage Section	X
	F) Cyber Coverage Section	X
	Part 2 Cover	
	A) Statutory Liability Coverage Section	X
	B) Employers' Liability Coverage Section	X
	C) Public and Products Liability Coverage Section	X
	Part 3 Cover	
	A) Umbrella Defence Costs Coverage Section	X
Item 5:	Extended Reporting Period	a) 100% of annual premium for an additional 365 days; or
		b) Nil additional premium for 90 days
Item 6A:	Endorsement(s) Effective at Inception for Part 1:	N/A
Item 6B	Endorsement(s) Effective at Inception for Part 2:	N/A
Item 6C	Endorsement(s) Effective at Inception for Part 3:	N/A

In witness whereof, the **Company** has caused this **Policy** to be signed by its Authorised Employee.

6 May 2022

Date



Brian Jee
Senior Financial Lines Underwriter

Schedules

Directors & Officers Liability Coverage Section Schedule

This coverage section provides Claims Made Coverage which applies only to **Claims** first made during the **Policy Period**, or any Extended Reporting Period

No.	Title	Description
Item 1.	Limit of Liability for this Coverage Section:	
	a) Each Loss	\$1,000,000
	b) Each Policy Period	\$1,000,000
	Fines and Penalties	
	Sub limit: a) Each Loss	\$1,000,000
	b) Each Policy Period	\$1,000,000
	Occupational Health and Safety Manslaughter Costs or Expenses	
	Sub limit: c) Each Loss	\$1,000,000
	d) Each Policy Period	\$1,000,000
	Pollution Defence Costs Pollution Defence Costs	
	Sub limit: e) Each Loss	\$1,000,000
	f) Each Policy Period	\$1,000,000
	Dedicated Additional Limit of Liability for Directors and Officers	\$100,000 for each Director and \$1,000,000 in the aggregate for all Directors
	Crisis Expenses	
	Sub limit: g) Each Loss	\$25,000
	h) Each Policy Period	\$25,000
	Prosecution and Reputation Protection Costs	
	Sub limit: i) Each Loss	\$250,000
	j) Each Policy Period	\$250,000
	Insured Person's Tax Liability and Superannuation Liability	
	Sub limit: k) Each Loss	\$1,000,000
	l) Each Policy Period	\$1,000,000
	Tax Investigation and Audit Expenses	
	Sub limit: m) Each Loss	\$25,000
	n) Each Policy Period	\$25,000

No.	Title	Description
Item 1. cont.	Attendance Compensation	
	Sub limit: o) Each Loss	\$1,000 per day
	p) Each Policy Period	\$25,000
	Pre-Investigation Costs	
	Sub limit: q) Each Loss	\$25,000
	r) Each Policy Period	\$25,000
	Organisational Legal Representation Expenses	
	Sub limit: s) Each Loss	\$25,000
	t) Each Policy Period	\$25,000
	Deprivation of Assets Expenses	
	Sub limit: u) Each Loss	\$250,000
	v) Each Policy Period	\$250,000
	Pension Administration Expenses	
	Sub limit: w) Each Loss	\$25,000
	x) Each Policy Period	\$25,000
Item 2.	Deductibles:	
	i. Insuring Clause (A)	Nil
	ii. Insuring Clause (B)	\$5,000
	iii. Insuring Clause (C)	\$5,000
	iv. Insuring Clause (D)	\$5,000
Item 3.	Pending and Prior Litigation Dates:	
	i. Insuring Clause (A)	Inception
	ii. Insuring Clause (B)	Inception
	iii. Insuring Clause (C)	Inception
	iv. Insuring Clause (D)	Inception
Item 4.	Endorsement(s):	- BIPD Exclusion - Absolute with EPL Write Back - Professional Services Exclusion - Absolute - Major Shareholder Exclusion - Molestation Exclusion - Absolute - Insolvency Exclusion

Employment Practices Liability Coverage Section Schedule

This coverage section provides Claims Made Coverage which applies only to **Claims** first made during the **Policy Period**, or any Extended Reporting Period

No.	Title	Description
Item 1.	Limit of Liability for this Coverage Section :	
	a) Employment Practices Liability Coverage:	\$250,000
	b) Third Party Liability Coverage:	\$250,000
Item 2.	Deductible Amount:	
	Employment Practices Liability Coverage:	\$10,000
	Third Party Liability Coverage:	\$10,000
Item 3.	Pending and Prior Litigation Date:	
	a) Insuring Clause (A):	Inception
	b) Insuring Clause (B):	Inception
Item 4.	Endorsement(s):	None

Miscellaneous Professional Indemnity Coverage Section Schedule

This coverage section provides Claims Made Coverage which applies only to **Claims** first made during the **Policy Period**, or any Extended Reporting Period

No.	Title	Description
Item 1.	Limits of Liability for this Coverage Section	
	a) Each Loss	\$1,000,000
	b) Each Policy Period	\$1,000,000
Item 2.	Deductible:	\$5,000
Item 3.	Retroactive Date:	Unlimited
Item 4.	Professional Services:	Community Services, fundraising activities and public events.
Item 5.	Endorsement(s):	- Event Managers Endorsement - Molestation Exclusion

Crime Coverage Section Schedule

No.	Title		Description
Item 1.	Insuring Clauses	Limit of Liability	Deductible Amount
	A. Employee Theft Coverage:	\$250,000	\$10,000
	B. Premises Coverage:	\$250,000	\$10,000
	C. In Transit Coverage:	\$250,000	\$10,000
	D. Forgery Coverage:	\$250,000	\$10,000
	E. Computer Fraud Coverage:	\$250,000	\$10,000
	F. Funds Transfer Fraud Coverage:	\$250,000	\$10,000
	G. Counterfeit Currency Fraud Coverage:	\$250,000	\$10,000
	H. Credit Card Fraud:	\$250,000	\$10,000
	I. Client Coverage:	\$250,000	\$10,000
	J. Expense Coverage:	\$250,000	\$10,000
	K. Social Engineering Fraud Coverage:	\$25,000	\$10,000
	If “Not Covered” is inserted opposite any Insuring Clause, such Insuring Clause and any other reference to such Insuring Clause in this Coverage Section shall be deemed to be deleted. No Deductible Amount shall apply to (i) Superannuation Funds or (ii) Expense Coverage provided pursuant to Insuring Clause (J).		
Item 2.	Endorsement(s):		None
Item 3.	Excluded Territory:		None

Kidnap Ransom and Extortion Coverage Section Schedule

No.	Title	Description
Item 1.	Insuring Clauses	Limit of Liability/Benefit Amount
	Insuring Clause A – Kidnap and Extortion Coverage	\$50,000
	Insuring Clause B – Custody Coverage	\$50,000
	Insuring Clause C – Expenses Coverage	\$50,000
	i. Sub Limit for Recall Expenses	\$50,000
	ii. Sub Limit for Rest and Rehabilitation Expenses	\$50,000
	Insuring Clause D – Accidental Loss Coverage	\$50,000
	i. Benefit Amount for loss of life	
	ii. Benefit Amount for all other Accidental Loss	
	Insuring Clause E – Legal Liability Costs Coverage	\$50,000
Item 2.	Insured:	Rotary International District 9910, 9920, 9940 and 9970
Item 3.	Excluded Territory:	As per the wording
Item 4.	Endorsement(s):	None

Cyber Coverage Section Schedule

No.	Title	Description	
Item 1.	Aggregate Limit of Liability	\$100,000	
Item 2.	Insuring Clauses	Limit of Liability	Deductible each and every Claim
	Incident Response	\$100,000	\$5,000
	Business Interruption	\$100,000	\$5,000 Waiting Period: 12 Hours
	Data and System Recovery	\$100,000	\$5,000
	Cyber Extortion	\$100,000	\$5,000
	Privacy and Network Security Liability	\$100,000	\$5,000
	Media Liability	\$100,000	\$5,000
	Sub-Limits		
	i. Payment Card Loss	Not Covered	Not Covered
	ii. Regulatory Fines	\$100,000	\$5,000
	iii. Consumer Redress Funds	\$100,000	\$5,000
Item 3.	Insured:	Rotary International District 9910, 9920, 9940 and 9970	
Item 4.	Retroactive Date:	Unlimited	
Item 5.	Endorsement(s):	- Cyber Incident Response Endorsement	
Item 6.	Waiting Period:	12 Hours	

Statutory Liability Coverage Section Schedule

This coverage section provides Claims Made Coverage which applies only to **Claims** first made during the **Policy Period**, or any Extended Reporting Period

No.	Title	Description
Item 1.	Insured	Rotary International District 9910, 9920, 9940 and 9970
Item 2.	Business	Regional entity of Global Rotary Organisation - community service, fundraising activities and public events.
Item 3.	Limit of Liability	\$1,000,000 in the aggregate for the Policy Period
Item 4.	Deductible	\$500 and every Allegation , costs inclusive
Item 5.	Retroactive Date	Unlimited

Employers' Liability Coverage Section Schedule

This coverage section provides Claims Made Coverage which applies only to **Claims** first made during the **Policy Period**, or any Extended Reporting Period

No.	Title	Description
Item 1.	Insured	Rotary International District 9910, 9920, 9940 and 9970
Item 2.	Business	Regional entity of Global Rotary Organisation - community service, fundraising activities and public events.
Item 3.	Limit of Liability	\$1,000,000 in the aggregate for the Policy Period
Item 4.	Deductible	\$500 each and every Allegation , costs inclusive
Item 5.	Retroactive Date	Unlimited

Umbrella Defence Costs in Addition Coverage Section Schedule

This coverage section provides Claims Made Coverage which applies only to **Claims** first made during the **Policy Period**, or any Extended Reporting Period

No.	Title	Description
Item 1.	Limit of Liability for this Coverage Section :	\$1,000,000
Item 2.	Deductible Amount:	As per the applicable Coverage Section
Item 3.	Retroactive Date:	Unlimited
Item 4.	Endorsements:	As per the applicable Coverage Section

Endorsement Number: 1
Coverage: Directors & Officers
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940
and 9970
Effective Date: 31 December 2021

BIPD Exclusion - Absolute with EPL Write Back

By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

It is agreed that Exclusions to the Directors and Officers Coverage Section are amended by deleting Exclusion 1 (Bodily Injury/Property Damage), in its entirety and replacing it with the following:

iii Bodily Injury/Property Damage

based upon, arising from or attributable to bodily injury, mental or emotional distress, sickness, disease, death, disability, shock, mental injury, false arrest, false imprisonment, wrongful eviction, wrongful entry, wrongful detention, malicious prosecution, defamation (including libel and slander) or damage to or destruction of any tangible property, including loss of use thereof, whether or not it is damaged or destroyed. This Exclusion shall not apply to mental anguish, humiliation or emotional distress asserted in an **Employment Matter**.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:



Brian Jee
Senior Financial Lines Underwriter

Endorsement Number: 2
Coverage: Directors & Officers
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940 and 9970
Effective Date: 31 December 2021

Professional Services Exclusion - Absolute

By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

It is agreed that the Exclusions to the Directors and Officers Liability Coverage Section are amended by deleting Exclusion 2 (Professional Services), in its entirety and replacing it with the following:

2 Professional Services

based upon, arising from or attributable to any actual or alleged act or omission, including but not limited to any error, misstatement, misleading statement, neglect, or breach of duty committed, attempted or allegedly committed or attempted in the rendering of, or actual or alleged failure to render any professional services to a third party.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:



Brian Jee
Senior Financial Lines Underwriter

Endorsement Number: 3
Coverage: Directors & Officers
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940 and 9970
Effective Date: 31 December 2021

Major Shareholder Exclusion

By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

It is agreed that the Exclusions to the Directors and Officers Liability Coverage Section are amended by adding the following:

In addition to the General Exclusions and Coverage Section Exclusions, the **Company** shall not be liable for any **Loss** in respect of any **Claim**:

Major Shareholder

brought or maintained by or on behalf of any individual or entity directly or beneficially owning 15% or more of the issued share capital or voting rights representing the present right to vote for election of directors of an **Organisation** at the time of the commission or omission of a **Wrongful Act** the subject of such **Claim**.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:



Brian Jee
Senior Financial Lines Underwriter

Endorsement Number: 4
Coverage: Directors & Officers
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940 and 9970
Effective Date: 31 December 2021

Molestation Exclusion - Absolute

By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

It is agreed that Section IV, Part A. is amended by adding the following:

Molestation

based upon, arising from or attributable to any actual or alleged molestation or physical or psychological interference with or abuse of any person, including but not limited to permitting or failing to prevent such an act from occurring.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "CHUBB" at the top, "Chubb Insurance New Zealand Limited" in the middle, and "Company No. 104454" and "FSP No. 19024" at the bottom.

Brian Jee
Senior Financial Lines Underwriter

Endorsement Number: 5
Coverage: Directors & Officers
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940 and 9970
Effective Date: 31 December 2021

Insolvency Exclusion

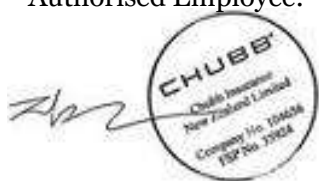
By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

The **Company** will not pay any **Loss** based on, arising from or attributable to the bankruptcy, insolvency, liquidation, receivership or administration (voluntary or otherwise) of an **Organisation** or any **Outside Entity**.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text: "CHUBB", "Chubb Insurance", "New Zealand Limited", "Company No. 104654", and "FSP No. 75024".

Brian Jee
Senior Financial Lines Underwriter

Number: 6
Coverage: Miscellaneous Professional Indemnity
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940 and 9970
Effective Date: 31 December 2021

Event Managers Endorsement

By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

It is agreed that the Exclusions to the Miscellaneous Professional Indemnity Liability Coverage Section are amended by adding the following:

In addition to the General Exclusions and Coverage Section Exclusions, the **Company** shall not be liable for any **Loss** in respect of any **Professional Services Claim** based upon, arising from, or in consequence of:

- (i) the insolvency, administration, receivership, bankruptcy or liquidation of any of the parties involved in any project including the failure to pay or suspension of payment by such parties;
- (ii) any express or implied representations, warranties or guarantees, or any return on capital or profit estimates;
- (iii) any failure or omission in effecting or maintaining insurance or any advice or failure to advise with respect to effecting or maintaining insurance;
- (iv) any actual or alleged advice to extend or extension of credit or to grant or the refusal to grant a loan or any transaction in the nature of a loan, including the failure to procure or maintain any credit or a loan or any transaction in the nature of a loan;
- (v) the ownership, use, occupation or leasing of tangible property;
- (vi) any defect or alleged defect to anything manufactured, sold, supplied, installed, fabricated, assembled, erected, treated, serviced, repaired or maintained by any **Insured** except as arising directly from the provision of **Professional Services**;
- (vii) the **Insured's** liability as an employer;
- (viii) the provision of, or failure to provide, security for any event, meeting, function or conference;
- (ix) the cancellation, delay or abandonment of any event, meeting, conference or function.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:



Brian Jee
Senior Financial Lines Underwriter

Number: 7
Coverage: Miscellaneous Professional Indemnity
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940 and 9970
Effective Date: 31 December 2021

Molestation Exclusion

By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

It is agreed that the Exclusions to the Miscellaneous Professional Indemnity Liability Coverage Section are amended by adding the following:

In addition to the General Exclusions and Coverage Section Exclusions, the **Company** shall not be liable for any **Loss** in respect of any **Professional Services Claim** based upon arising from or in consequence of any actual or alleged molestation or physical or psychological interference with any person, including permitting or failing to prevent any such act from occurring.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:

A handwritten signature in black ink is written over a circular stamp. The stamp contains the word "CHUBB" in a bold, sans-serif font at the top. Below it, in a smaller font, is "Chubb Insurance New Zealand Limited". At the bottom of the stamp, it says "Company No. 104454" and "FSP No. 19024".

Brian Jee
Senior Financial Lines Underwriter

Number: 8
Coverage: Cyber
Policy Number: NZDAOA09893
Company: Rotary International District 9910, 9920, 9940 and 9970
Effective Date: 31 December 2021

Cyber Incident Response Endorsement

By way of endorsement to the **Policy**, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the **Policy**):

1. The Cyber Coverage Section is amended to include the following:

This endorsement provides crisis response services through the **Insured's** election to utilise the **Cyber Incident Response Team** for **Incident Response Expenses** outlined in Chubb's Cyber insurance policy wordings. Any election to utilise or not utilise the services under this endorsement will not prejudice any of the **Insured's** rights under the **Policy**.

In the event of an actual or reasonably suspected **Claim**, the **Insured** may either:

a) contact the **Chubb Cyber Incident Response Centre** through any of the following:

Chubb Cyber Alert App: download for iPhone and Android devices available on www.chubbcyberalert.com
Chubb Cyber Alert Website: www.chubbcyberalert.com
Chubb Cyber Alert Hotline: 0800 441 402; or

b) choose and contact a **Cyber Incident Response Manager** from the **Pre-Approved Response Manager Panel**.

Should the **Insured** engage the **Cyber Incident Response Manager**, the Deductible Amount for the **Cyber Incident Response Manager's** service shall be \$Nil.

2. The Cyber Coverage Section is amended by adding the following definitions:

a) the individual designated through the **Chubb Cyber Incident Response Centre** to coordinate the **Cyber Incident Response Team**; or

b) the individual or entity on the **Pre-Approved Response Manager Panel** that is chosen by the **Insured** to coordinate the **Cyber Incident Response Team**.

Chubb Cyber Incident Response Centre is the emergency call centre service for the purpose of contacting the **Cyber Incident Response Manager**.

Cyber Incident Response Manager means either the following:

Cyber Incident Response Team means the entities engaged by the **Cyber Incident Response Manager** to provide services described under the **Incident Response Expenses** definition of Chubb's Cyber insurance policy wordings.

A list of **Cyber Incident Response Team** members is available on request.

Pre-Approved Response Manager Panel means the list of firms on the **Insurer's** pre-approved incident manager list available on request from the **Insurer**.

3. The Conditions to the Cyber Coverage Section is amended to include the following:

- The Insured's Duties in Event of a Cyber Incident under the Cyber Coverage Section

If the **Insured** contacts the **Chubb Cyber Incident Response Centre** for assistance in the event of an actual or reasonably suspected Privacy and Network Security Claim, the **Insured** will then be provided with the following two options:

Option 1: The **Chubb Cyber Incident Response Centre** will provide notice to the **Company** on the **Insured's** behalf.

The **Insured** can choose to have the **Chubb Cyber Incident Response Centre** provide notice to the **Company** on the **Insured's** behalf. In order to exercise this option, the **Insured** must give specific consent to the **Chubb Cyber Incident Response Centre** to allow them to provide notice to the **Company** on the **Insured's** behalf. The **Insured's** notification requirements are only satisfied if the **Insured** provides specific consent to the **Chubb Cyber Incident Response Centre** to perform this task for the **Insured**.

Option 2: The **Chubb Cyber Incident Response Center** will not provide notice to the **Company** on the **Insured's** behalf.

The **Insured** is not required to give their consent to the **Chubb Cyber Incident Response Centre** to provide notice to the **Company** of the **Claim**, even if the **Insured** elects to utilise its services. If the **Insured** decides that it does not want to allow the **Chubb Cyber Incident Response Centre** to provide notification on its behalf, then the **Insured** must provide notification to the **Company** as directed under the reporting and notice provisions of this **Policy**.

- Incident Response Conditions

i. Any **Incident Response Expenses** incurred utilising the **Cyber Incident Response Manager** or **Cyber Incident Response Team** are part of and not in addition to, the Limit of Liability for **Incident Response Expenses**, as listed on the Schedule.

ii. The **Insured** is under no obligation to contract for services with the **Cyber Incident Response Team**.

iii. The **Company** has no obligation to provide any of the services provided by the **Cyber Incident Response Team**.

It is understood that the **Cyber Incident Response Managers** and **Cyber Incident Response Team** service providers are independent contractors, not the **Company's** agents. The **Insured** agrees that the **Company** assumes no liability arising out of any services rendered by a **Cyber Incident Response Team** service provider. The **Company** shall not be entitled to any rights or subject to any obligations or liabilities set forth in any agreement entered into between the **Insured** and any **Cyber Incident Response Team** service provider. The **Insured** acknowledge and are aware that the services it contracts for with the **Cyber Incident Response Manager** and the **Cyber Incident Response Team** could include or entirely be services that are not covered by this **Policy**. The **Company** shall have no duty to notify the **Insured** when this is the case. The **Insured** will be responsible for the costs, bills and fees associated with the retention of the **Cyber Incident Response Managers** and the **Cyber Incident Response Team** when their services are not covered under this **Policy**.

In all other respects this **Policy** remains unaltered.

This Endorsement has been signed by or on behalf of Chubb Insurance New Zealand Limited at Auckland this Friday, 06 May 2022.

Authorised Employee:



Brian Jee
Senior Financial Lines Underwriter

Directors' and Officers' Liability Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clauses

1. **D&O Liability Coverage**

- 1.1 The **Company** shall pay on behalf of each **Insured Person**, **Loss** for which the **Insured Person** is not indemnified by an **Organisation** on account of any **D&O Claim** first made during the **Policy Period**.

2. **Organisation Reimbursement Coverage**

- 2.1 The **Company** shall pay, on behalf of an **Organisation**, **Loss** for which the **Organisation** grants indemnification to each **Insured Person**, as permitted or required by law, on account of any **D&O Claim** first made during the **Policy Period**.

3. **Legal Representation Expenses**

- 3.1 The **Company** shall pay, on behalf of each **Insured Person**, **Defence Costs** on account of any **Formal Investigation** identifying such **Insured Person** in writing and first notified to such **Insured Person** or the **Organisation** during the **Policy Period**.

4. **Organisation Liability Coverage**

- 4.1 The **Company** shall pay on behalf of an **Organisation**, **Loss** on account of any **Organisation Claim** first made during the **Policy Period**.

Extensions

1. **Advancement of Costs and Expenses**

- 1.1 The **Company** shall, prior to the final disposition of any **D&O Claim**, **Formal Investigation** or **Organisation Claim** first made during the **Policy Period**, advance **Defence Costs**, **Prosecution and Reputation Protection Costs** and **Crisis Expense**, within thirty (30) days of receipt of proper documentation of such costs.
- 1.2 Any advancement of **Defence Costs**, **Prosecution and Reputation Protection Costs** or **Crisis Expense** shall be repaid to the **Company** by the **Insureds**, severally according to their respective interests, if and to the extent it is determined that such **Defence Costs** are not insured under this Coverage Section.

2. **Compensation for Court Attendance and Staff Disruption**

2.1 Coverage shall extend to the **Organisation's** cost of attendance by any **Director, Officer, or Employee**:

- a) at a court hearing, arbitration, mediation, conciliation or alternative dispute resolution proceeding or **Formal Investigation** as a witness;
- b) at an interview in the presence of a lawyer conducting the defence of any **Claim** for the purpose of composing a witness statement;
- c) at a conference or consultation with a barrister for the purpose of preparation in relation to any **Claim**; and
- d) at a court hearing, arbitration, mediation, conciliation or alternative dispute resolution proceeding or **Formal Investigation** as an observer, provided that the **Company** shall only be liable for the attendance of one observer for all **Organisations** per day,

where such attendance is in connection with a **Claim** first made in the **Policy Period**.

2.2 The **Company's** maximum liability under this Extension shall not exceed the Attendance Compensation sub limit as set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

3. **Crisis Expense**

3.1 Coverage shall extend to **Crisis Expenses** incurred by an **Organisation**, with the **Company's** prior written consent, which shall not be unreasonably withheld.

3.2 The **Company's** maximum liability under this Extension shall not exceed the Crisis Expenses sub limit set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

3.3 No Deductible Amount applies to this Extension.

4. **Dedicated Additional Limit of Liability for Directors**

4.1 This Extension affords an additional limit for **Directors** or **Officers** for **Loss** for which such **Director** or **Officer** is not indemnified by an **Organisation**, on account of any **D&O Claim** first made during the **Policy Period**, and **Formal Investigation** into conduct occurring before or during the **Policy Period**.

4.2 This Dedicated Additional Limit of Liability shall only apply after:

- a) the Limit of Liability for this Coverage Section as set forth in item 1 of the Schedule has been fully exhausted by payment of loss, damages or defence costs;
- b) any other valid and collectible insurance that is specifically excess of this Coverage Section has been fully exhausted by payment of loss, damages or defence costs.

4.3 The **Company's** maximum liability under this Extension shall not exceed the amount shown for the Dedicated Additional Liability for Directors and Officers in item 1 of the Directors & Officers Liability Coverage Section Schedule.

4.4 The Dedicated Additional Limit of Liability for Directors and Officers Limit in Item 1 of the item 1 of the Directors & Officers Liability Coverage Section Schedule is in addition to and does not reduce any other Limits of Liability set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

4.5 The **Insured** agrees to provide the **Company** all details of any excess policies effected once they become known to them and the **Company** will endorse the policy accordingly.

4.6 No Deductible Amount applies to this Extension.

5. Deprivation of Assets Expenses

- 5.1 Coverage shall extend to the payment directly to the provider of the following services in the event of an interim or interlocutory order confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an **Insured Person** or creating a charge over real property or personal assets of an **Insured Person** on account of a **D&O Claim** first made during the **Policy Period**:
- a) schooling;
 - b) housing;
 - c) utilities; or
 - d) personal insurances.
- 5.2 The **Company** shall only pay such expenses after 30 days following the above event, and only for a period of up to 12 months.
- 5.3 Coverage under this Extension shall be specifically excess of any personal allowance directed by a court to meet such payments.
- 5.4 The **Company's** maximum aggregate liability under this Extension shall not exceed the Deprivation of Assets Expenses sub limit set forth in item 1 of the Schedule, irrespective of the number of claims under this **Policy**, the amount claimed, or the number of **Insured Persons** who claim.

6. Emergency Costs and Expenses

- 6.1 If, because of an emergency, the **Company's** written consent to any **Defence Costs, Prosecution and Reputation Protection Costs** or **Crisis Expenses** cannot be requested prior to incurring such costs and expenses, such costs and expenses can be incurred without that consent; but only for a period of thirty (30) days immediately following the date on which the **D&O Claim** was first made or the event for which **Crisis Expenses** may be incurred.

7. Fines and Penalties

- 7.1 Coverage shall extend to the **Fines and Penalties** awarded against an **Insured Person** on account of any **D&O Claim**.
- 7.2 The **Company's** maximum liability under this Extension shall not exceed the Fines and Penalties sub limit set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

8. Insured Person's Tax Liability and Superannuation Liability

- 8.1 Coverage shall extend to any **Tax Liability** and **Superannuation Liability** for which an **Insured Person** is not indemnifiable by an **Organisation** on account of any **D&O Claim** first made during the **Policy Period**.
- 8.2 The **Company's** maximum liability under this Extension shall not exceed the Insured Person's Tax Liability and Superannuation Liability sub limit as set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

9. Outside Directorship

- 9.1 Coverage shall extend to any **D&O Claim** or **Formal Investigation** against an **Insured Person** on account of an **Outside Directorship**.
- 9.2 Coverage under this Extension shall be specifically excess of:

- a) coverage under any policies listed in the **Proposal** or any endorsement for the **Outside Entity**;
- b) coverage under any other policy entered into by an **Insured** or under which any **Insured Person** is a beneficiary, including but not limited to a policy of insurance entered into by an **Outside Entity**; and
- c) any indemnity available from the **Outside Entity** to such **Insured Person** by reason of serving in such **Outside Directorship**. The **Principal Organisation** agrees to provide the **Company** with all details of any policies for the **Outside Entity** once they become known to them and on request by the **Company**.

9.3 If an **Organisation** is permitted or required by law to indemnify, or not prevented by law from indemnifying an **Insured Person** for **Loss** on account of a **D&O Claim** made or **Formal Investigation** against an **Insured Person** who serves in an **Outside Directorship** but fails or refuses, other than for reason of **Financial Impairment**, to so indemnify such **Insured Person** then the **Company** shall pay such **Loss** on behalf of such **Insured Person** subject to all the Exclusions of this Coverage Section. In such event the applicable Deductible Amount set forth in item 2 of the Directors & Officers Liability Coverage Section Schedule shall be paid by the **Organisation** to the **Company**. No Deductible Amount shall apply in the event of **Financial Impairment**.

9.4 If during the **Policy Period** an **Insured Person** commences the position of **Director, Officer**, trustee, governor, councillor or equivalent position of any entity that is not an **Outside Entity**, such coverage shall apply to such position for a period of ninety (90) days from the date of commencing such position. Coverage for such position shall terminate ninety (90) days after the date of commencement of such position unless the **Company** accepts in writing such position. Coverage for any such position in that period or as accepted by the **Company** is subject to all limitations, conditions, provisions and other terms of and applicable to this Coverage Section.

9.5 If any **D&O Claim** made against an **Insured Person** due to an **Outside Directorship** is covered under any other policy issued by the **Company**, its parent, a subsidiary or affiliate, then:

- a) payment under this **Policy** on account of a **D&O Claim** also covered under this Coverage Section shall reduce by the amount of the payment that is made under any other policy; and
- b) the **Company's** Limit of Liability under this **Policy** with respect to such **D&O Claim** shall reduce by the limit of liability under any other policy.

10. Occupational Health and Safety Manslaughter Costs and Expenses

10.1 Notwithstanding the Bodily Injury/Property Damage Exclusion below, coverage shall extend to **Defence Costs, Prosecution and Reputation Protection Costs or Crisis Expenses** on account of any **D&O Claim, Formal Investigation or Organisation Claim** in connection with an alleged violation or breach of an occupational health and safety law, including but not limited to any workplace death, corporate manslaughter or industrial manslaughter law anywhere in the world.

10.2 The **Company's** maximum liability under this Extension shall not exceed the Occupational Health and Safety Manslaughter Costs and Expenses sub limit as set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

11. Organisational Legal Representation Expenses

11.1 Coverage shall extend to **Defence Costs** which an **Organisation** incurs on account of the preparation, attendance and/or provision of documents or information by such **Organisation** (or by an **Insured Person** representing such **Organisation** in capacity as director, officer, or employee of such **Organisation**) at or to any **Formal Investigation**

first commenced during the **Policy Period**, which attendance or provision is required by the body instituting the **Formal Investigation**.

- 11.2 The **Company's** maximum liability under this Extension shall not exceed the Organisational Legal Representation Expenses sub limit set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

12. **Pension Administration Liability**

- 12.1 Coverage shall extend to any **Organisation Claim** first made in the **Policy Period** in connection with the operation, administration or sponsorship of a **Superannuation Fund**, but not any industry or master superannuation fund.
- 12.2 The **Company's** maximum liability under this Extension shall not exceed the Pension Administration Liability sub limit set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

13. **Pollution Defence Costs**

- 13.1 Notwithstanding the General Exclusion for Pollution, coverage shall extend to **Defence Costs** on account of any **D&O Claim** first made in the **Policy Period** in respect of the generation, storage, transportation, discharge, dispersal, emission, release, escape, treatment, removal or disposal of, or exposure to, **Pollutants**, provided such **D&O Claim** is brought and maintained outside the United States of America or any territory under its jurisdiction.
- 13.2 The **Company's** maximum liability under this Extension shall not exceed the Pollution Defence Costs sub limit set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

14. **Pre-Investigation Cost**

- 14.1 Coverage shall extend to the reasonable fees, costs and expenses of an **Insured Person** incurred directly with respect to:
- a) any raid or on-site visit to any **Insured** by an official body, first occurring during the **Policy Period**, which involves the production, review, copying or confiscation of records or interviews of any **Insured Person**;
 - b) any formal notification by any **Insured** to any regulator, first given during the **Policy Period**, where the **Insured** reasonably considers that a material breach of an **Insured's** legal or regulatory duty has occurred or may occur; or
 - c) any **Internal Inquiry** conducted by the **Organisation**, however in the event there is subsequently no **Self-Report** made, the **Organisation** shall reimburse the **Company** for all such fees, costs and expenses paid
- 14.2 The **Company's** maximum liability under this Extension shall not exceed the Pre-Investigation Cost sub limit as set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

15. **Prosecution and Reputation Protection Costs**

- 15.1 Coverage shall extend to **Prosecution and Reputation Protection Costs** arising from a **D&O Claim** first made during the **Policy Period** and incurred personally by an **Insured Person** with the **Company's** prior written consent, which shall not be unreasonably withheld.
- 15.2 The **Company's** maximum liability under this Extension shall not exceed the Prosecution and Reputation Protection Costs sub limit set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

15.3 No Deductible Amount applies to this Extension.

16. Retired Directors or Officers

16.1 If this Coverage Section is terminated or not renewed by either the **Company** or the **Principal Organisation** for any reason, other than non-payment of premium, and provided no **Organisation Change** or **Financial Impairment** has occurred, any **Director** or **Officer** who ceased to act in such capacity prior to the expiry of the **Policy Period** for reasons other than disqualification from holding the office of director or from managing a company and other than due to an **Organisation Change** or **Financial Impairment** shall have the right to an extended reporting period of eighty-four (84) months within which to report:

- a) any **D&O Claim** that is first made during such eighty-four (84) month period but only to the extent such **D&O Claim** is for **Wrongful Acts**;
- b) **Formal Investigations** into conduct,

occurring prior to the effective date of termination or non-renewal.

16.2 Any **D&O Claim** made or **Formal Investigations** commenced during this Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**.

16.3 There is no additional premium payable for such Extended Reporting Period under this Extension.

17. Tax Investigation and Audit Expenses

17.1 Coverage shall extend to **Tax Investigation and Audit Expenses** on account of any **Organisation Claim** first made during the **Policy Period**.

17.2 The **Company** will not, however, cover any **Tax Investigation and Audit Expenses** where the **Organisation Claim** is based upon, arising from or in consequence of:

- a) any improper, unwarranted or unjustified delay, refusal or failure to comply with any request made by or on behalf of the New Zealand Inland Revenue Department or any government tax collection authority, requiring the production of documents or the furnishing of information by an **Insured**;
- b) based upon, arising from, or in consequence of inquiries from the New Zealand Inland Revenue Department or any government tax collection authority related to an identified intention to conduct an audit or likely future audit;
- c) based upon, arising from, or in consequence of any audit or investigation concerning income earned or sourced outside New Zealand and any territories under its jurisdiction, or where the services giving rise to the audit are performed by persons or any organisation ordinarily resident outside New Zealand;
- d) based upon, arising from or in consequence of any matters arising under customs legislation;
- e) based upon, arising from or in consequence of any audit or investigation, notice of which or information as to their likely conduct, was received by an **Insured** or any person acting on their behalf, prior to the **Policy Period**;
- f) based upon, arising from, or in consequence of any fraudulent act or omission or fraudulent misrepresentation committed by or on behalf of an **Organisation**;
- g) based upon, arising from, or in consequence of the imposition of or seeking to impose any tax, penalty tax, costs, interest, fine or any fees or expenses in connection with any criminal prosecution;
- h) based upon, arising from or in consequence of an audit or investigation of an income return that has not been prepared or reviewed by a **Tax Agent**, except where the return is a prescribed sales tax return or a prescribed payroll tax return.

- 17.3 The **Company**'s maximum liability under this Extension shall not exceed the Tax Investigation and Audit Expenses sub limit as set forth in item 1 of the Directors & Officers Liability Coverage Section Schedule.

Exclusions

Exclusions Applicable to All Directors & Officers Liability Coverage Section Insuring Clauses

In addition to the General Exclusions, the **Company** shall not be liable for any **Loss** in respect of any **Claim**:

1. **Bodily Injury/Property Damage Exclusion**

for bodily injury, sickness, disease or death of any person or damage to or destruction of any tangible property, including loss of use thereof, whether or not it is damaged or destroyed. However this Exclusion shall not apply to: mental anguish, humiliation or emotional distress asserted in an **Employment Matter** or a **Claim** alleging a **Personal Injury Wrongful Act**

2. **Professional Services**

for any actual or alleged act or omission, including but not limited to any error, misstatement, misleading statement, neglect, or breach of duty committed, attempted or allegedly committed or attempted in the rendering of, or actual or alleged failure to render any professional services to a third party;

3. **Securities**

based upon, arising from or in consequence of any public or private offering of securities including the public or private solicitation, sale, distribution or issuance of such securities, whether or not a disclosure document has been issued, unless the **Company** grants its prior written consent to extend cover for such disclosure document;

4. **ERISA**

based upon, arising from or in consequence of any **Claim** for any actual or alleged breach of the **Organisation**'s responsibilities or obligations as imposed in the United States of America by the Employee Retirement Income Security Act of 1974 as amended from time to time;

Exclusions Applicable to Directors & Officers Liability Coverage Section Insuring Clause 4 Only

In addition to the General Exclusions and any other applicable exclusions, the **Company** shall not be liable for any **Loss** under the Organisation Liability Coverage Insuring Clause in respect of any **Claim** based upon, arising from or in consequence of:

5. **Defamation**

based upon, arising from or in consequence of libel, slander, oral or written publication of defamatory or disparaging material;

6. **Employment Practices**

based upon, or directly or indirectly arising out of or resulting from the employment relationship or the nature, terms or conditions of employment;

7. **Fines and Penalties**

based upon, arising from or in consequence of any fines or penalties assessed or levied against or imposed on an **Organisation**;

8. Intellectual Property

based upon, arising from, or in consequence of any actual or alleged assertion or infringement of copyright, patent, service mark, trade name, design right or trade mark, whether registrable or not, or misappropriation of ideas or trade secrets or know how or any assertion or infringement of any intellectual property;

9. Organisation v Insured

9.1 brought or maintained by or on behalf of any:

- a) **Organisation**; or
- b) **Outside Entity** if such **Claim** arises out of an **Insured Person** acting as a director, officer, trustee, governor, councillor, or any equivalent position in an **Outside Entity** where that position was at the request or consented to by the **Organisation**.

9.2 This exclusion will not apply to **Defence Costs**.

10. Products Liability

based upon, arising from or in consequence of any goods manufactured, distributed, supplied, installed, treated, assembled or processed by or on behalf of the **Organisation**.

11. Third Party Discrimination

based upon, arising from or in consequence of any actual or alleged unlawful discrimination or unlawful harassment of any third party;

12. Trade Practices

based upon, arising from or in consequence of the actual or alleged violation of any law, regulation or by-law anywhere in the world which regulates or restricts anti-trust or monopolistic behaviour or practices, price fixing, price discrimination, predatory pricing, restraint of trade, restrictive trade practices or which protects competition;

13. Trading Debts

based upon, arising from or in consequence of any trading or business debt incurred by an **Organisation**;

Presumptive Indemnification

1. If an **Organisation** is permitted or required by law to indemnify, or not prevented by law from indemnifying an **Insured Person** for **Loss** but fails or refuses, other than for reason of **Financial Impairment**, to so indemnify an **Insured Person** then the **Company** shall pay such **Loss** on behalf of such **Insured Person** subject to terms and conditions of this Policy.
2. In such event the applicable Deductible Amount set forth in item 2 of the Directors & Officers Liability Coverage Section Schedule shall be paid by the **Organisation** to the **Company**.
3. This section does not apply to **Loss** arising out of an **Insured Person**'s position as director, officer, trustee, governor, councillor, or any equivalent position in an **Outside Entity**.

Priority of Payments

1. In the event payment of **Loss** is due under this Coverage Section but the amount of such **Loss** in the aggregate exceeds the remaining available Limit of Liability for this Coverage Section, the Company shall:
 - 1.1 first pay such **Loss** for which coverage is provided under D&O Liability Coverage Insuring Clause or Legal Representation Expenses Insuring Clause of this Coverage Section; then
 - 1.2 to the extent of any remaining amount of the Limit of Liability available after payment under 1.1 above, pay such **Loss** for which coverage is provided under any other Insuring Clause of this Coverage Section.
2. Except as otherwise provided in this section, the **Company** may pay **Loss** as it becomes due under this Coverage Section without regard to the potential for other future payment obligations under this Coverage Section.

Employment Practices Liability Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clauses

1. Employment Practices Liability Coverage

The **Company** shall pay, on behalf of an **Insured**, **Loss** on account of any **Employment Claim** first made during the **Policy Period** for a **Wrongful Act** occurring before or during the **Policy Period**.

2. Third Party Liability Coverage

The **Company** shall pay on behalf of an **Insured**, **Loss** on account of any **Third Party Claim** first made during the **Policy Period** for a **Wrongful Act** occurring before or during the **Policy Period**.

Extensions

1. Advancement of Defence Costs

- 1.1 The **Company** shall, prior to the disposition of any **Employment Claim** or **Third Party Claim**, advance **Defence Costs** within thirty (30) days of receipt of proper documentation of such costs.
- 1.2 Any advancement of **Defence Costs** shall be repaid to the **Company** by the **Insureds**, severally according to their respective interests, if and to the extent it is determined that such **Defence Costs** are not insured under this Coverage Section.

Exclusions

In addition to the General Exclusions, the **Company** shall not be liable for any **Loss** in respect of any **Claim**:

1. ERISA

based upon, arising from or in consequence of any actual or alleged breach of the **Organisation's** responsibilities or obligations as imposed in the United States of America by the Employee Retirement Income Security Act of 1974 as amended from time to time;

2. Bodily Injury/Property Damage Exclusion

for bodily injury, sickness, disease or death of any person or damage to or destruction of any tangible property, including loss of use thereof, whether or not it is damaged or destroyed. However, this

Exclusion shall not apply to: mental anguish, humiliation or emotional distress asserted in any **Claim**.

3. **Statutory Entitlement**

for breach of duties, obligations or responsibilities under any **Industrial Instrument** or under any law or regulation made under or pursuant to any statute, ordinance or Industrial Instrument howsoever promulgated regulating **Employee Entitlements**; provided that this exclusion shall not apply to **Loss** on account of any **Employment Claim** for **Retaliation**;

4. **Sums Under Contract**

for any salary, wages or commissions, **Benefits** or sums:

4.1 which are severance payments;

4.2 which are in respect of a notice period;

4.3 which are determined to be owing under any oral or written contract of employment;

4.4 which represent any amount the Insured would have been liable for in the absence of a **Wrongful Act**.

5. **Trustee Liability**

based upon, arising from, or in consequence of any actual or alleged violation of the responsibilities, obligations or duties owed by fiduciaries, trustees, administrators or any others charged with duties with respect to any **Superannuation Fund**; or

6. **Wages and Work Safety**

based upon, arising from or in consequence of any actual or alleged breach of any law or duty relating to **Wages and Hours** or health and safety at work (but this exclusion shall not apply to a **Claim** seeking remedy for **Retaliation**).

7. **Workers Compensation**

based upon, arising from or in consequence of any actual or alleged obligation of any **Insured** pursuant to any workers' compensation, unemployment insurance, social security, disability benefits or similar law, regulation or by-law anywhere in the world, provided that this exclusion shall not apply to **Loss** on account of any **Employment Claim** for **Retaliation**;

8. **USA Employer Obligation**

based upon, arising from or in consequence of a **Claim** brought or maintained in whole or in part in the United States of America or its protectorates or territories for the violation of the responsibilities, obligations or duties imposed by any law of the United States of America (including the Worker Adjustment and Retraining Notifications Act 1988, a USA Statute) or amendments to or regulations promulgated under any such law that governs any obligation of an employer to notify, discuss or bargain with its employees or others in advance of any plant or facility closing, mass lay-off, or any similar obligation (but this exclusion shall not apply to a **Claim** seeking remedy for **Retaliation**).

Miscellaneous Professional Indemnity Liability Coverage

Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clauses

1. Professional Indemnity

The **Company** shall pay on behalf of an **Insured** all **Loss** which such **Insured** becomes legally obligated to pay on account of any **Professional Services Claim** first made against such **Insured** during the **Policy Period** for a **Wrongful Act** occurring after the Retroactive Date set forth in the Miscellaneous Professional Indemnity Liability Schedule.

2. Legal Representation Expenses

The **Company** shall pay, on behalf of an **Insured**, **Defence Costs** on account of any **Formal Investigation** into conduct occurring after the Retroactive Date set forth in the **Schedule** and notified in writing to such **Insured** during the **Policy Period**.

Extensions

1. Advancement of Costs and Expenses

- 1.1 The **Company** shall, prior to the disposition of any **Professional Services Claim**, advance **Defence Costs** within thirty (30) days of receipt of proper documentation of such costs.
- 1.2 Any advancement of **Defence Costs** shall be repaid to the **Company** by the **Insureds**, severally according to their respective interests, if and to the extent it is determined that such **Defence Costs** are not insured under this Coverage Section.

2. Consultants

Coverage shall extend to any person who is engaged pursuant to a written contract with the **Organisation** and who is indemnified by such **Organisation** and any organisation that such person is both a director and shareholder of provided that cover is only available to such person or organisation for **Professional Services** performed in accordance with such written contract in the ordinary course of the **Insured's** business and whom such **Organisation** has the right to govern and direct in the performance of such service.

3. **Fraud and Dishonesty**

Notwithstanding the General Exclusion for Conduct, the **Company** shall indemnify an **Insured** for **Loss** which would otherwise be excluded by that Exclusion, provided that such **Insured** has not condoned or committed the dishonest, fraudulent or criminal act forming the basis of liability for such **Loss**.

4. **Libel, Slander & Defamation**

Coverage shall extend to **Loss** on account of any **Professional Services Claim** made against an **Insured** alleging libel, slander or defamation.

5. **Loss of Documents**

5.1 Notwithstanding the Bodily Injury and Property Damage Exclusion, coverage shall extend to **Loss** on account of any **Professional Services Claim** due to loss of or damage to documents:

- a) whilst in the custody of the **Insured** and for which the **Insured** is legally liable;
- b) whilst in the custody of any person to whom the **Insured** has entrusted them and for which the **Insured** is legally liable; or
- c) whilst in transit and for which the **Insured** is legally liable,

provided that the **Company** shall not be liable for loss or damage to documents due to wear and tear, gradual deterioration, moth and vermin.

5.2 No Deductible Amount applies to this extension.

5.3 The **Principal Organisation** shall submit, as a part of any proof of loss, all bills and accounts with respect to any lost or damaged documents which shall be subject to approval by a competent person to be nominated by the **Company** with the **Insured's** consent.

6. **New Zealand Consumer Law and Related Legislation**

Notwithstanding the General Exclusion for Conduct, coverage shall extend to **Loss** on account of any **Professional Services Claim** made against the **Insured** in respect of any breach of the Fair Trading Act 1986 as amended, or similar legislation enacted in New Zealand or the Commonwealth of Australia

Reinstatement

1. Upon exhaustion of the Limit of Liability for each **Loss**, the **Company** will reinstate the Limit of Liability for each **Loss** as set forth in the Miscellaneous Professional Indemnity Coverage Section Schedule, but the reinstatement shall apply only after exhaustion of any Limit of Liability available under applicable policies in excess of this insurance. The **Company's** maximum liability for each **Loss** remains as set forth in Item 1.(b) of the Miscellaneous Professional Liability Coverage Section Schedule. The **Company's** maximum liability for each **Policy Period** remains as set forth in Item 1.(b) of the Miscellaneous Professional Liability Coverage Section Schedule.

Exclusions

In addition to the General Exclusions, the **Company** shall not be liable for any **Loss** in respect of any **Claim**:

1. **Bodily Injury/Property Damage**

for bodily injury, sickness, disease or death of any person, or damage to or destruction of any tangible property, including loss of use thereof, whether or not it is damaged or destroyed;

2. **D&O Liability**

based upon, arising from or in consequence of an **Insured Person's** liabilities as a director, officer or trustee, provided that this Exclusion shall not apply to the extent that liability would have arisen had such **Insured Person** not held the position as director, officer or trustee;

3. **Related Parties**

based upon, arising from or in consequence of the performance or failure to perform **Professional Services** for:

3.1 any **Insured**;

3.2 any entity which is owned or controlled by, or in under common ownership or control with, any **Insured**;

3.3 any natural person or entity which owns or controls any entity included within the definition of **Insured**; or

3.4 any entity of which any Insured is a company director, officer, partner or principal shareholder;

4. **Trading Debt**

based upon, arising from or in consequence of any trading or business debt incurred by an **Organisation**.

Crime Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clauses

1. Employee Theft Coverage

- 1.1 The **Company** shall pay the **Principal Organisation** for direct loss of **Money, Securities** or **Property** sustained by an **Organisation** resulting from fraud or dishonesty committed by an **Insured Person**, whether acting alone or in collusion with others, which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.
- 1.2 For the purposes of this insuring clause, an **Organisation** includes any **Superannuation Fund**.

2. Premises Coverage

The **Company** shall pay the **Principal Organisation** for direct loss sustained by an **Organisation** resulting from:

- 2.1 the unlawful taking of **Money, Securities** or **Property** committed by a **Third Party**, or
- 2.2 the actual destruction or disappearance of **Money** or **Securities**,

within or from **Premises** or **Banking Premises**, which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period including:

- a) direct loss of or damage to **Property** which results from **Robbery** or attempted **Robbery** within the **Premises**;
 - b) direct loss of or damage to **Property** contained within any safe which results from **Safe Burglary** or attempted **Safe Burglary** within the **Premises**;
 - c) damage to a locked safe, cash drawer, cash box or cash register within the **Premises** by felonious entry or loss by felonious abstraction of such container from within the **Premises**; and
 - d) damage to the **Premises** which results from **Safe Burglary** or **Robbery**,
- committed by a **Third Party**.

3. In Transit Coverage

The **Company** shall pay the **Principal Organisation** for direct loss sustained by an **Organisation** resulting from:

- 3.1 the unlawful taking of **Money, Securities** or **Property** committed by a **Third Party**; or

3.2 the actual destruction or disappearance of **Money** or **Securities**,

while **In Transit** or while temporarily within the home of an **Insured Person** or a partner of an **Organisation** that is a partnership, which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period including;

- a) direct loss or damage to **Property** resulting from **Robbery** while **In Transit**; and
- b) direct loss resulting from the unlawful taking of **Property** temporarily within the home of an **Insured Person** or a partner of an **Insured** which is a partnership,

committed by a **Third Party**.

4. **Forgery Coverage**

The **Company** shall pay the **Principal Organisation** for direct loss sustained by an **Organisation** resulting from **Forgery** or alteration of a **Financial Instrument** committed by a **Third party** which direct loss is **Discovered** during the **Policy Period** or the Extended Discovery Period.

5. **Computer Fraud Coverage**

The **Company** shall pay the **Principal Organisation** for direct loss of **Money, Securities** or **Property** sustained by an **Organisation** resulting from **Computer Fraud** committed by a **Third Party** after such **Third Party** commits a **Computer Violation** which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.

6. **Funds Transfer Fraud Coverage**

The **Company** shall pay the **Principal Organisation** for direct loss of **Money, Securities** or **Property** sustained by an **Organisation** resulting from **Funds Transfer Fraud** committed by a **Third Party** which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.

7. **Counterfeit Currency Fraud Coverage**

The **Company** shall pay the **Principal Organisation** for direct loss sustained by an **Organisation** resulting from **Counterfeit Currency Fraud** committed by a **Third Party** which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.

8. **Credit Card Fraud Coverage**

The **Company** shall pay the **Principal Organisation** for direct loss sustained by an **Organisation** resulting from **Credit Card Fraud** committed by a **Third Party** which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.

9. **Client Coverage**

The **Company** shall pay the **Principal Organisation** for direct loss of **Money, Securities** or **Property** sustained by a **Client** resulting from **Theft**, fraud or dishonesty committed by an **Insured Person** not in collusion with such **Client's** directors or employees, including, for the avoidance of doubt, temporary staff, or agents which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.

10. **Expense Coverage**

10.1 The **Company** shall pay the **Principal Organisation** for **Investigative Costs** or **Computer Violation Expenses**.

10.2 No Deductible Amount applies to this Insuring Clause.

11. Social Engineering Fraud Coverage

The **Company** shall pay the **Principal Organisation** for direct loss resulting from an **Organisation** having transferred, paid or delivered any **Property, Money** or **Securities** as the direct result of **Social Engineering Fraud** committed by a person purporting to be a **Vendor, Client** or an **Insured Person** who was authorised by the **Organisation** to instruct other **Insured Persons** to transfer **Property, Money** or **Securities**, which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.

Extension

1. Legal Expenses Extension

- 1.1 In addition to the Limits of Liability set forth in the Crime Coverage Section Schedule, the **Company** shall pay the **Principal Organisation**:
- a) With respect to **Forgery** coverage under the Forgery Coverage Insuring Clause, reasonable court costs and legal fees incurred and paid with the **Company's** prior written consent in defending an **Organisation** or an **Organisation's** bank or approved deposit taking institution in any legal proceeding brought against it to enforce payment of a **Financial Instrument**.
 - b) With respect to **Credit Card Fraud** coverage under Credit Card Fraud Coverage, reasonable court costs and lawyers' fees incurred and paid with the **Company's** prior written consent in defending an **Organisation** in any legal proceeding brought against it to enforce payment of a written instrument required in connection with any credit card.

Exclusions

Exclusions Applicable to All Crime Coverage Section Insuring Clauses

In addition to the General Exclusions, no coverage will be available under this Coverage Section for:

1. Confidential Information

loss of any trade secrets, confidential processing methods or confidential information of any kind;

2. Shareholder

loss due to fraud or dishonesty by any person or partner controlling at any time more than 10% of the issued share capital of an **Organisation**, save that if that loss would, but for this exclusion, be covered under Employee Theft Coverage or Client Coverage Insuring Clauses, then the **Company** shall pay so much of that loss as exceeds the value of that person's or partner's shareholding on the day immediately preceding the date of **Discovery** of the loss;

3. Loss of Income

loss of income as the result of any loss covered under this Coverage Section;

4. Consequential Loss

indirect or consequential loss or damage of any kind or the creation of a liability to a Third Party; provided that this exclusion shall not apply to **Investigative Costs** and **Computer Violation Expenses**;

5. **Legal Proceedings**

fees, costs or expenses incurred or paid by an Insured in prosecuting or defending any legal proceeding or claim;

6. **Insured Advantage**

loss sustained by one **Organisation** to the advantage of any other **Organisation**;

7. **Safe Deposit**

loss of or damage to **Money, Securities or Property** while in the custody of any armoured bank or authorised deposit taking institution, armoured motor vehicle company or any person who is duly authorised by an **Organisation** to have custody of **Money, Securities or Property**, provided that this exclusion shall not apply to the extent that coverage is excess of the amount recovered or received by an **Organisation** under a contract, if any, with, or insurance carried by, any of the foregoing or any other insurance or indemnity in force which would cover the loss in whole or in part;

8. **Trading**

loss resulting directly or indirectly from any trading of **Money, Securities or Property**, whether or not in the name of an **Organisation** and whether or not in a genuine or fictitious account, provided that this exclusion shall not apply to loss otherwise covered under the Employee Theft Coverage Insuring Clause which results in improper financial gain to an **Insured Person** (such loss as used herein shall mean only the amount of improper financial gain to such **Insured Person** and shall not include **Salary**, commissions, fees or compensation, including but not limited to, promotions and raises associated with employment, paid by an **Organisation** to such **Insured Person**);

9. **Data**

fees, costs or expenses incurred or paid:

9.1 as a result of the reconstitution of **Data** if an Insured knowingly uses illegal copies of programs;

9.2 to render the **Data** usable by replacement processing equipment;

9.3 to design, update or improve software programs or to perfect their operation or performance; or

9.4 as a result of an alteration in **Data** held on magnetic media due to the effect of magnetic fields, their incorrect use or the obsolescence of the **Computer System**;

10. **Fire**

loss or damage due to fire; provided that this exclusion does not apply to loss of **Money** or **Securities** or damage to any safe or vault caused by the application of fire thereto for the purpose of **Safe Burglary**; or

11. **Authorised Representative**

loss or damage due to **Theft**, fraud, dishonesty, **Forgery, Computer Fraud, Fund Transfer Fraud, Counterfeit Currency Fraud, Credit Card Fraud, Social Engineering Fraud** or any criminal act (other than **Robbery** or **Safe Burglary**) committed by any authorised representative of an **Organisation**, whether acting alone or in collusion with others, provided that this exclusion does not apply to loss otherwise covered under the Employee Theft Coverage or Client Coverage Insuring Clauses resulting from **Theft**, fraud or dishonesty committed by an **Insured Person** acting in collusion with such authorised representative.

12. **Cryptocurrency**

loss of cryptocurrency or any other electronic or digital currency not authorised or adopted by a sovereign government as part of its currency.

Exclusions Also Applicable to Employee Theft Coverage and Client Coverage Insuring Clauses

In addition to the General Exclusions and any other applicable exclusions, , no coverage will be available under the Employee Theft Coverage Insuring Clause or Client Coverage Insuring Clause for:

13. **Known Dishonesty**

loss caused by an **Insured Person** which is sustained by an **Organisation**:

- 13.1 after a **Director, Officer or Insurance Representative** becomes aware of a **Theft**, fraud or dishonesty committed by such **Insured Person** while employed with an **Organisation**;
- 13.2 after a **Director, Officer or Insurance Representative** becomes aware of a **Theft**, fraud, or dishonesty involving **Money, Securities or Property** in an amount of twenty-five thousand dollars (\$25,000) or more, committed by an **Insured Person** prior to employment with an **Organisation**.

14. **Agents**

loss caused by any agent, broker, factor, commission merchant, consignee, contractor, subcontractor or similar representative.

Exclusions Also Applicable to Premises Coverage and In Transit Coverage Insuring Clauses

In addition to the General Exclusions and any other applicable exclusions, no coverage will be available under the Premises Coverage Insurance Clause and In Transit Coverage Insuring Clause for loss:

15. **Forgery**

due to Forgery, Computer Fraud, Counterfeit Currency Fraud, Credit Card Fraud or Funds Transfer Fraud; or

16. **Mail**

of or to **Money, Securities or Property** while in the mail or in the custody of a carrier for hire other than an armoured motor vehicle company.

Exclusion Also Applicable to Premises Coverage, In Transit Coverage, Computer Fraud Coverage, Funds Transfer Coverage, Social Engineering Fraud Coverage Insuring Clauses

In addition to the General Exclusions and any other applicable exclusions, no coverage will be available under the Premises Coverage, In Transit Coverage, Computer Fraud Coverage, Funds Transfer Coverage, Social Engineering Fraud Coverage Insuring Clauses:

17. **Kidnap**

for loss or damage as a result of a kidnap, ransom or other extortion payment (as distinct from **Robbery**) surrendered to any person as a result of a threat to do bodily harm to any person or a threat to do damage to any property.

Exclusion Also Applicable to Forgery Coverage Insuring Clause

In addition to the General Exclusions and any other applicable exclusions, no coverage will be available under the Forgery Coverage Insuring Clause for loss due to **Forgery** or alteration of:

18. **Third Party**

any Financial Instrument committed by any Third Party in collusion with any Insured Person;

19. **Coupon**

of any registered or coupon obligation issued or purportedly issued by an **Organisation**, or any coupons whether attached or detached.

Exclusion Also Applicable to Credit Card Fraud Coverage Insuring Clause

In addition to the General Exclusions and any other applicable exclusions, no coverage will be available under the Credit Card Fraud Coverage Insuring Clause for loss:

20. due to any forgery or alteration of, on or in any written instrument, provided that this exclusion will not apply if:

20.1 the provisions, conditions and other terms under which the involved credit card was issued were fully complied with; or

20.2 an **Organisation** is legally liable to the issuer of the credit card for such loss.

Exclusion Also Applicable to Social Engineering Fraud Coverage Insuring Clause

In addition to the General Exclusions and any other applicable exclusions, no coverage is available under the Social Engineering Fraud Coverage Insuring Clause for loss or damage:

21. due to **Theft** by an **Insured Person**, **Forgery**, **Computer Fraud**, **Funds Transfer Fraud**, **Counterfeit Currency Fraud** or **Credit Card Fraud**; or

22. covered under the Forgery Coverage Insuring Clause.

Exclusion Also Applicable to Premises Coverage, In Transit Coverage, Forgery Coverage, Computer Fraud Coverage, Funds Transfer Coverage, Credit Card Fraud Coverage Insuring Clauses

In addition to the General Exclusions and any other applicable exclusions, no coverage will be available under the Premises Coverage, In Transit Coverage, Forgery Coverage, Computer Fraud Coverage, Funds Transfer Coverage and Credit Card Fraud Coverage Insuring Clauses for:

23. **Fraudulent Instructions**

loss resulting from any transfer, payment or delivery of **Money**, **Securities** or **Property** as the result of **Social Engineering Fraud**.

Conditions

1. **Deductible**

1.1 The **Company's** liability under this Coverage Section shall apply only to that part of covered loss which is excess of the applicable Deductible Amount set forth in Item 1 of the Crime Coverage Section Schedule.

- 1.2 No Deductible Amount shall apply to loss sustained by any **Superannuation Fund** covered under this Coverage Section.

2. **Discovery**

- 2.1 Coverage is available for loss sustained at any time and **Discovered** during the **Policy Period**, or the Extended Discovery Period, if applicable.
- 2.2 It is a condition of coverage that, upon **Discovery**, the **Principal Organisation** will:
- a) give written notice to the **Company** at the earliest practicable moment, and in no event later than ninety (90) days after such **Discovery**;
 - b) furnish a proof of loss with full particulars to the **Company** within six (6) months of such **Discovery**;
 - c) submit to examination under oath at the **Company's** request;
 - d) produce all pertinent records at such reasonable times and places as the **Company** designates;
 - e) fully co-operate with the **Company** in all matters pertaining to a claim for loss.
- 2.3 The **Principal Organisation** may not offer, as a part of any proof of loss, any computation or comparison which involves in any manner a profit and loss computation or comparison. The **Principal Organisation** may offer a comparison between an **Organisation's** or **Client's** inventory records and actual physical counts of its inventory to prove the amount of loss only where an **Organisation** establishes that, wholly apart from such comparison, it has sustained a covered loss caused by an **Insured Person**.

3. **Extended Discovery Period**

- 3.1 If this Coverage Section is terminated or not renewed by the **Company** for any reason, other than non-payment of premium, the **Insured** shall, provided that the **Insured** has not purchased similar crime coverage from the **Company** or any other insurer, have the right upon payment of 100% of the annual premium for this Coverage Section, to an Extended Discovery Period of 365 days from the date of termination or non-renewal within which to report any losses first Discovered during such 365 day period, but only to the extent such losses were sustained prior to the effective date of termination or non-renewal.
- 3.2 The right to the Extended Discovery Period shall lapse unless written notice of such election, together with payment of the additional premium due, is received by the **Company** within ninety (90) days following the effective date of termination or non-renewal of this Coverage Section.
- 3.3 If the Extended Discovery Period is purchased in accordance with this section then:
- a) it cannot be cancelled by the **Insured** or the **Company**; and
 - b) the entire premium shall be deemed fully earned at the inception of the Extended Discovery Period.

4. **Liability for Prior Loss**

- 4.1 In the event that loss, which would otherwise be covered under this Coverage Section, is sustained prior to this Coverage Section's inception date, or the effective date of coverage for an additional **Organisation**, or the effective date of any coverage added by endorsement, then:
- a) if at the time of that loss being sustained the **Organisation** was insured under a prior policy issued by a company other than the **Company**, and that policy afforded cover for such prior loss, and such prior loss was first discovered prior to the expiration of the time allowed for discovery or notification under such prior policy, then coverage

- under this Coverage Section shall be in excess of that prior policy's limit of liability, and otherwise subject to all terms and conditions of this Coverage Section; or
- b) if at the time of that loss being sustained the **Organisation** was insured under a prior policy issued by the **Company**, and that policy afforded cover for such prior loss, then that prior policy shall terminate as of the inception date of this Coverage Section and such prior policy shall not cover any loss not discovered and notified to the **Company** prior to the inception date of this Coverage Section. In such an event, the **Company's** limit of liability for any such prior loss shall be the applicable Limit of Liability as set forth in the Crime Coverage Section Schedule.

- 4.2 The **Organisation** shall neither be entitled to separate recovery of the limits of each policy in force at the time any part of the prior loss was sustained, nor shall the **Organisation** be entitled to recover the sum of the limits of liability of any such policies. The **Company's** maximum liability for such prior loss shall not exceed the lesser of the limit of liability of the policy in force at the time such prior loss was sustained, or the applicable Limit of Liability as set forth in the Crime Coverage Section Schedule.

5. Limit of Liability

- 5.1 The **Company's** maximum liability for each loss shall not exceed the Limit of Liability applicable to such loss as set forth in Item 1 of the Crime Coverage Section Schedule, regardless of the number of **Organisations** sustaining the loss.
- 5.2 If a direct loss is covered under more than one Insuring Clause, the maximum amount payable under this Coverage Section shall not exceed the largest applicable Limit of Liability of any such Insuring Clause and the corresponding Deductible Amount for that Insuring Clause shall apply.
- 5.3 All loss resulting from a single act or any number of acts of the same **Insured Person** or **Third Party**, and all loss whether such act or acts occurred before or during the **Policy Period**, will be treated as a single loss and the applicable Limit of Liability and Deductible Amount will apply, subject to the Liability for Prior Losses Condition above.

6. Non-Accumulation of Liability

- 6.1 When there is more than one **Organisation**, the maximum liability of the **Company** for loss sustained by one or all **Organisations** shall not exceed the amount for which the **Company** would be liable if all losses were sustained by any one **Organisations**.
- 6.2 Regardless of the number of years this coverage remains in effect and the total premium amounts due or paid, the amount the **Company** shall pay for any loss shall not be cumulative from year to year or from **Policy Period** to **Policy Period**.

7. Ownership

- 7.1 The **Company's** liability under this Coverage Section shall apply only to **Money, Securities, or Property**:
- a) owned by an **Organisation**, for which it is legally liable; or
- b) held by an **Organisation** in any capacity, whether or not it is liable,
- provided that the **Company** shall not be liable for damage to **Premises** unless an **Organisation** is the owner of such **Premises** or is legally liable for such damage.
- 7.2 With respect to the Client Coverage Insuring Clause only, the **Company's** liability under this **Coverage Section** shall apply only to **Money, Securities or Property** owned by a **Client** for which an **Organisation** is legally liable or held by it in any capacity.

8. Valuation

8.1 The **Company** shall reimburse:

- a) loss of **Securities**, the least of:
 - i. *the actual market value of lost, damaged or destroyed **Securities** at the closing price of such **Securities** on the business day immediately preceding the day on which the loss is **Discovered**;*
 - ii. the cost of replacing the **Securities**;
 - iii. the cost to post a Lost Instrument Bond. Such costs shall be paid by the **Company** on behalf of an **Organisation**;
- b) loss in respect of books of account or other records, the cost of blank books, pages, CD Roms or discs or other blank materials to replace lost or damaged books of account or other records;
- c) loss in respect of other personal property, the least of the price paid by an **Organisation** for personal property or the cost to repair or replace such property with property of similar quality and value at the time the **Principal Organisation** furnishes proof of loss in compliance.

Kidnap, Ransom and Extortion Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clauses

1. **Kidnapping and Extortion Coverage**

The **Company** shall reimburse the **Organisation** for direct loss of property or other consideration surrendered as payment by or on behalf of the **Organisation** resulting from **Kidnapping** or **Extortion Threat**, first sustained during the **Policy Period**.

2. **Custody Coverage**

The **Company** shall reimburse the **Organisation** for direct loss caused by the actual destruction, disappearance, confiscation or unlawful taking of property or other consideration, which is intended as payment for a covered **Kidnapping** or **Extortion Threat**, while being held or conveyed by a person authorised by the **Organisation**, first sustained during the **Policy Period**.

3. **Expense Coverage**

The **Company** shall reimburse the **Organisation** for **Expenses** paid by the **Organisation** resulting directly from a covered **Kidnapping**, or **Extortion Threat**, or resulting directly from a **Hijacking**, **Political Threat** or **Wrongful Detention**, first sustained during the **Policy Period**.

4. **Accidental Loss Coverage**

The **Company** shall pay the Benefit Amount for **Accidental Loss** resulting directly from a covered **Kidnapping** or resulting directly from a **Hijacking** or **Wrongful Detention**, first sustained during the **Policy Period**.

5. **Legal Liability Costs Coverage**

The **Company** shall reimburse the **Organisation** for **Legal Liability Costs**, provided that such **Organisation** agrees as a condition to coverage to co-operate with the **Company** in conducting the defence or in negotiating the settlement of such underlying suit, first sustained during the **Policy Period**.

Exclusions

In addition to the applicable General Exclusions, no coverage will be available under this Coverage Section for:

1. **Reasonable Efforts**

loss resulting from fraud by an **Insured Person**, whether acting alone or in collusion with others, allegedly the subject of a **Kidnapping, Extortion Threat, Wrongful Detention, Political Threat or Hijacking** if an **Organisation** had not, prior to any payment, made reasonable efforts to determine that such **Kidnapping, Extortion Threat, Wrongful Detention, Political Threat or Hijacking** was genuine;

2. **On Behalf of Organisation**

loss of property or other consideration surrendered or intended to be surrendered as payment by or on behalf of an **Insured Person** unless an **Organisation** agrees that such payment is on behalf of such **Organisation**;

3. **Loss of Income**

loss of income not realised as the result of a covered loss;

4. **Benefit of Insured**

loss sustained by one **Insured** to the advantage of any other Insured.

5. **Fraud**

loss resulting from fraud by an **Insured Person**, whether acting alone or in collusion with others, allegedly the subject of an **Accidental Loss**;

6. **Excluded Territories**

loss of any property, any payments made or legal obligations or expenses incurred in the territories set forth in Item 3 of the Kidnap, Ransom and Extortion Coverage Section Schedule;

7. **Cyber Liability**

loss due to a Cyber Extortion Event.

Exclusions Applicable Only to Kidnapping and Extortion Coverage Insuring Clause

In addition to the applicable General Exclusions and specific exclusions above, no coverage is available under the Kidnapping and Extortion Coverage Insuring Clause for:

8. **Surrender of Property or Consideration**

loss of property or other consideration surrendered:

- 8.1 away from the **Premises** in any face to face encounter involving the use or threat of force or violence, unless surrendered by a person in possession of such property or other consideration at the time of such surrender for the sole purpose of conveying it to pay a previously communicated ransom or extortion demand and unless actually surrendered to those responsible for such demand or their designee; or

- 8.2 on the **Premises** unless brought onto the **Premises** after receipt of the ransom or extortion demand for the sole purpose of paying such demand and unless actually surrendered to those responsible for such demand or their designee;

Exclusion Applicable to All Other Kidnap Ransom & Extortion Insuring Clauses

In addition to the applicable General Exclusions and specific exclusions applicable above, no coverage is available under the Custody Coverage, Expense Coverage, Accidental Loss Coverage, or Legal Liability Costs Coverage Insuring Clauses for:

9. **Cover Under Kidnapping and Extortion Coverage Insurance Clause**

loss of property or other consideration actually surrendered as a ransom or extortion payment covered under the Kidnapping and Extortion Coverage Insuring Clause.

Conditions

1. **Discovery**

It is a condition of coverage that, upon **Discovery**, the **Insured** will:

- 1.1 give written notice to the **Company** at the earliest practicable moment, and in no event later than ninety (60) days after such **Discovery**;
- 1.2 furnish a proof of loss with full particulars to the **Company** within six (6) months of such **Discovery**;
- 1.3 submit to examination under oath at the **Company's** request;
- 1.4 produce all pertinent records at such reasonable times and places as the **Company** designates;
- 1.5 fully co-operate with the **Company** in all matters pertaining to a claim for loss.

2. **Beneficiary**

- 2.1 The **Loss of Life** Benefit Amount will be paid to the **Insured Person's** designated beneficiary. The Benefit Amount for all other **Accidental Loss** will be paid to the **Insured Person** unless otherwise directed by the **Insured Person**.
- 2.2 If an **Insured Person** suffers **Loss of Life** and has not designated a beneficiary, or if the designated beneficiary is not alive, the **Company** will pay covered loss in the following order:
 - a) to the domestic partner;
 - b) in equal shares to the surviving children;
 - c) in equal shares to the surviving parents;
 - d) in equal shares to the surviving brothers and sisters; or
 - e) to the estate,of such Insured Person.

3. **Limits of Liability**

- 3.1 The **Company's** maximum liability for loss sustained by any or all **Insureds** shall not exceed the amount for which the **Company** would be liable if all losses were sustained by any one **Insured**.

- 3.2 The **Company's** limit of liability for loss that is covered by an Insuring Clause above shall be the respective sub limit as set forth in item 1 of the Kidnap Ransom and Extortion Coverage Section Schedule, save that the **Company's** maximum liability for such **Expenses** which comprise:
- a) **Recall Expenses** shall not exceed the Recall Expenses sub limit as set forth in item 1 of the Kidnap Ransom and Extortion Coverage Section Schedule;
 - b) those reasonable rest and relaxation expenses shall not exceed the Rest and Relaxation sub limit as set forth in item 1 of the Kidnap Ransom and Extortion Coverage Section Schedule.
- 3.3 Regardless of the number of years this Policy remains in effect and the total premium amounts due or paid, whether under this Coverage Section or any prior policy or renewal or replacement of this Coverage Section, the **Company's** liability for any loss shall not be cumulative from year to year or policy period to policy period.

4. **Sustaining Loss**

A loss shall be deemed to have been sustained, for determining coverage under:

- 4.1 the Kidnapping and Extortion Coverage Insuring Clause, at the time of the surrendering payment;
- 4.2 the Custody Coverage Insuring Clause, at the time of the actual destruction, disappearance, confiscation, or unlawful taking of the intended payment;
- 4.3 the Expense Coverage Insuring Clause, at the time of the payment incurred by the **Organisation**;
- 4.4 the Accidental Loss Coverage Insuring Clause, at the time of the **Accidental Loss**;
- 4.5 the Legal Liability Costs Insuring Clause, at the time the **Organisation** has made payment for any incurred expense, judgment or settlement.

5. **Personal Assets**

- 5.1 In the event of a demand directed against an **Insured Person** rather than against an **Organisation**, property or other consideration surrendered or intended to be surrendered by or on behalf of an **Insured Person** and the **Expenses** (though only as defined in 44.1a)i to 44.1a)x and 44.1a)xiii to 44.1a)xv) incurred by or on behalf of an **Insured Person** shall, at the option of the **Organisation** be considered property or other consideration surrendered or intended to be surrendered on behalf of such **Organisation** and **Expenses** incurred by such **Organisation**.
- 5.2 However, the **Company's** liability, other than for a loss sustained by an **Employee**, shall be reduced by any amount paid or payable on account of such loss under such other insurance issued by the **Company** or any of its subsidiaries or affiliated companies.

6. **Knowledge**

For the purposes of this Coverage Section only, knowledge possessed by a **Director** or **Officer** shall constitute knowledge possessed by, or discovery made by, all **Insureds**.

7. **Valuation**

The **Company** shall pay:

- 7.1 the cost of the cost of blank books, pages, CD Roms, discs or tapes or other blank materials to replace lost or damaged books of account or other records;

7.2 the least of:

- a) the actual cash value of any other property or other consideration at the time of loss; or
- b) the actual cost to repair or replace such other property with that of similar quality and value at the time of loss.

Cyber Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the Company and the Insured agree as follows:

Insuring Clauses

If “Not Covered” is shown in Item 2 of the Cyber Coverage Section Schedule in relation to any Insuring Clause, such Insuring Clause and any reference to it is deemed deleted and such coverage is not afforded.

First Party Insuring Clauses

1. Incident Response

The **Company** will pay on an Insured’s behalf for **Incident Response Expenses** by reason of a **Cyber Incident** or a **Business Interruption Incident** discovered by any **Control Group** member during the **Policy Period**.

2. Business Interruption

The **Company** will reimburse an **Insured** for **Business Interruption Loss** during the **Policy Period**, arising from a **Business Interruption Incident**, the duration of which exceeds the **Waiting Period**, and is discovered by any **Control Group** member during the **Policy Period**.

3. Data and System Recovery

The Company will reimburse an Insured for Data and System Recovery Costs during the Policy Period, arising from a Business Interruption Incident discovered by any Control Group member during the Policy Period.

4. Cyber Extortion

The Company will reimburse an Insured for Cyber Extortion Damages and Cyber Extortion Expenses by reason of a Cyber Extortion Event discovered by any Control Group member during the Policy Period.

Third Party Insuring Clauses

5. Privacy and Network Security Liability

The Company will reimburse an Insured for Damages and Privacy and Network Security Claims Expenses by reason of a Privacy and Network Security Claim first made during the Policy Period resulting from any Privacy and Network Security Wrongful Act taking place after the Retroactive Date set forth in the Cyber Coverage Section Schedule and prior to the end of the Policy Period, where Damages shall also include a Consumer Redress Fund, Payment Card Loss, and Regulatory Fines.

6. Media Liability

The **Company** will reimburse an **Insured** for **Damages** and **Media Claims Expenses** by reason of a **Media Claim** first made during the **Policy Period** resulting from any **Media Wrongful Act** taking place after the Retroactive Date set forth in the Cyber Coverage Section Schedule and prior to the end of the **Policy Period**.

Exclusions

In addition to the General Exclusions as applicable, the **Company** shall not be liable for **Loss** on account of any **Claim**:

1. Intentional Wrongful Collection or Use

alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving the unauthorised, surreptitious, or wrongful use or collection of **Personal Data** by an **Insured** or the failure to provide adequate notice that **Personal Data** is being collected or used.

However, this exclusion shall not apply to that **Insured's** unintentional violation of any **Privacy Regulation**, including but not limited to the unintentional wrongful use or collection of **Personal Data**.

2. Discrimination or Employment Practices

alleging, based upon, arising out of or attributable to any:

2.1 discrimination of any kind;

2.2 humiliation, harassment or misconduct based upon, arising out of or related to any such discrimination;

2.3 **Wrongful Employment Practices.**

However, this exclusion shall not apply with respect to that part of any **Privacy and Network Security Claim** alleging employment-related invasion of privacy or employment-related wrongful infliction of emotional distress in the event such **Privacy and Network Security Claim** arises out of the loss of **Personal Data** which is covered the Privacy and Network Security Liability Insuring Clause.

3. Insured v Insured

brought or maintained by an **Insured**, or on an **Insured's** behalf, or any other natural person or entity for whom or which an **Insured** is legally liable, arising out of a **Privacy and Network Security Claim** or **Media Claim**.

However, this exclusion shall not apply to a **Privacy and Network Security Claim** brought against an **Insured** by an **Insured Person**, alleging that the **Insured** committed a **Privacy and Network Security Wrongful Act** as defined only in 97.2 and 97.3 of that definition, and which is expressly covered under the Privacy and Network Security Liability Insuring Clause.

4. Contract

for breach of any express, implied, actual or constructive contract, warranty, guarantee, or promise, including liquidated damages provisions or any liability assumed by the **Insured**.

However, this exclusion shall not apply to:

- 4.1 any liability or obligation the **Insured** would have in the absence of such contract, warranty, promise or agreement; or
- 4.2 any indemnity by an **Insured** in a written contract or agreement with an **Insured's** client regarding any **Privacy and Network Security Wrongful Act** that results in the failure to preserve the confidentiality or privacy of **Personal Data** of customers of the **Insured's** client; or
- 4.3 with respect to the Privacy and Network Security Liability Insuring Clause, any **Payment Card Loss**.

5. **Fees**

alleging, based upon, arising out of or attributable to any fees, expenses, or costs paid to or charged by the **Insured**.

6. **Bodily Injury and Property Damage**

alleging, based upon, arising out of or attributable to any **Personal Injury** or **Property Damage**.

However, this exclusion shall not apply to:

- 6.1 any mental injury, mental anguish, mental tension, emotional distress, pain and suffering, or shock that arises out of **Privacy and Network Security Act** or **Media Act** as expressly covered under the Privacy and Network Security Liability or Media Liability Insuring Clauses.
- 6.2 any injury to, loss or destruction of, or loss of use of **Data**.

7. **Infrastructure Outage**

alleging, based upon, arising out of or attributable to any electrical or mechanical failure or interruption, electrical disturbance, surge, spike, brownout, blackout, or outages to electricity, gas, water, telecommunications or other infrastructure.

However, this exclusion shall not apply to failures, interruptions, disturbances or outages of telephone, cable or telecommunications systems, networks or infrastructure, under an **Insured's** operational control, which is a result of a failure of **Computer Malicious Act, Unauthorised Use or Access**, or a failure of **Network Security**.

8. **Force Majeure**

alleging, based upon, arising out of or attributable to fire, smoke, explosion, lightning, wind, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God or any other physical event, however caused.

9. **Wear and Tear and Governmental Authority Intervention**

solely with respect to coverage under the Incident Response, Business Interruption and Data and System Recovery Insuring Clauses:

- 9.1 alleging, based upon, arising out of, or attributable to the ordinary wear and tear or gradual deterioration of a **Covered Computer System** or **Data**, including any data processing media.
- 9.2 for any action of a public or governmental authority, including the seizure, confiscation or destruction of a **Covered Computer Systems** or **Data**.

10. **Patent and Trade Secret**

alleging, based upon, arising out of or attributable to any claim, dispute or issues with the validity, invalidity, infringement, violation or misappropriation of any:

10.1 patent; or

10.2 trade secret, so long as reasonable efforts have been made to maintain its secrecy

by or on behalf of an **Insured**.

11. **Intellectual Property**

alleging, based upon, arising out of or attributable to any infringement, violation or misappropriation by an **Insured** of any copyright, service mark, trade name, trademark or other intellectual property of any third party. However, this exclusion shall not apply to a **Privacy and Network Security Wrongful Act** or **Media Wrongful Act** expressly covered under the Privacy and Network Security Liability or Media Liability Insuring Clauses.

12. **Advertising or Misrepresentation**

solely with respect to coverage under the Media Liability Insuring Clause, alleging, arising out of, or attributable to the actual goods, **Products** or services described, illustrated or displayed in **Media Content**.

13. **Products**

alleging, based upon, arising out of or attributable to any **Products**.

14. **Trading**

alleging, based upon, arising out of or attributable to any:

14.1 financial loss due to the inability to trade, invest, divest, buy or sell any financial security or financial asset of any kind;

14.2 fluctuations in any value of assets;

14.3 financial value in any of an **Insured's** accounts held at a financial institution; or

14.4 inability to earn interest or appreciation on any asset.

Conditions

1. **Business Interruption Loss**

1.1 The **Company** will pay the actual **Business Interruption Loss** incurred by the **Insured** which exceeds the Deductible amount shown in Item 2 of the Cyber Coverage Section Schedule once the applicable **Waiting Period** has expired.

1.2 In determining the **Business Interruption Loss** incurred by the **Insured**, the **Company** shall be entitled to adjust such **Business Interruption Loss** to take full account of trends or circumstances during the twelve (12) months immediately before the **Business interruption Incident**, which affect the profitability of the business and would have affected the profitability of the business had the **Business Interruption Incident** not occurred, including all material changes in market conditions which would affect the **Net Profit** generated. However, the **Company's** adjustment will not include any increase in income that

would likely have been earned as a result of an increase in the volume of business due to favourable business conditions.

2. **Cyber Extortion Damages**

- 2.1 For the purposes of establishing the value of **Cyber Extortion Damages** payable by the **Company**, if **Cyber Extortion Damages** are paid in a currency, including cryptocurrency(ies), other than the local currency from where this Policy is issued or the currency in which the Policy is issued, then payment under this Policy will require submission of proof of the calculation of the applicable rate of exchange used to convert such other currency to the local currency from where this Policy is issued or the currency in which this Policy is issued on the date that the **Cyber Extortion Damages** were actually paid.
- 2.2 Reimbursement of the **Cyber Extortion Damages** to an **Insured** from the **Company** under this Policy shall be made in the local currency from where this Policy is issued based on the submission of proof provided by the **Insured**. The **Company** retains the right to dispute or adjust the calculation of **Cyber Extortion Damages** to the extent that the submission of proof an **Insured** submits is based on an inaccurate or inflated rate of exchange.

3. **Limits of Liability**

- 3.1 The Limits of Liability and Deductibles as set out in the Cyber Coverage Section Schedule are separate Limits of Liability and Deductibles pertaining to each Insuring Clause.
- 3.2 Any Sub-Limit set out in the Cyber Coverage Section Schedule shall be part of and not in addition to the applicable Privacy and Network Security Liability Limit of Liability.
- 3.3 The **Company's** maximum liability under the Cyber Coverage Section in respect of each and every **Claim** shall not exceed the sum of the applicable Limits of Liability.
- 3.4 The **Company's** maximum aggregate liability under the Cyber Coverage Section is the Aggregate Limit of Liability as set forth in Item 1 of the Cyber Coverage Section Schedule irrespective of the number of **Claims**, the number of claims made under this Coverage Section, or the number of **Insureds**.
- 3.5 Sub-limits are not subject to reinstatement once exhausted.

Statutory Liability Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clause

1. The **Company** agrees to indemnify the **Organisation** and **Employee** for **Penalties** and **Sentences for Reparation**, which the **Organisation** or **Employee** is legally obliged to pay, and any **Defence Costs**, up to the Limit of Liability as a result of a **Statutory Liability Claim** first made against the **Organisation or Employee** and notified to the **Company** during the **Policy Period**.

Exclusions

In addition to the General Exclusions as applicable, the **Company** will not indemnify the **Insured** in respect of any **Claim**:

1. arising out of any alleged breach of or offence under one or more of the following:
Arms Act 1983, Aviation Crimes Act 1972, Crimes Act 1961, Criminal Proceeds (Recovery) Act 2009, Summary Offences Act 1981, Land Transport Act 1998; and any other Act specially stated as being excluded in the Schedule;
2. for any pecuniary penalty, restitution, compensation or order for payment imposed by a court upon the **Insured** pursuant to Sections 80, 83 or 89(3)(b) of the Commerce Act 1986.
3. for a **Penalty** arising out of any allegation that the **Insured** has breached or committed an offence under an **Act** if it is illegal for the **Company** to indemnify the **Insured** in relation to the **Penalty**.
4. for **Defence Costs** arising from appealing, or otherwise challenging, an infringement notice given under the Health & Safety at Work Act 2015 (or any amendment, regulation or subordinate legislation made thereunder).
5. arising out of any deliberate breach of, disregard for, resistance to, or failure to comply with the provisions of, or any notice given or requirement made under, any of the **Acts**.
6. for the costs of complying with or remedying any breach of any of the **Acts**.
7. arising out of any threatened or actual civil claim or civil proceedings. However this exclusion shall not apply to private prosecutions brought under the Health and Safety at Work Act 2015 (or any amendment, regulation or subordinate legislation made thereunder) in which case the Deductible set forth in item 4 of the Statutory Liability Coverage Section Schedule shall apply.

8. arising out of, directly or indirectly brought about by, or contributed to by, any deliberately dishonest or fraudulent or malicious act or omission by the **Organisation**. However, this exclusion will not apply to **Defence Costs** and **Penalties**, and **Sentences for Reparation** incurred by any **Organisation** who has not committed or condoned the deliberately dishonest or fraudulent or malicious act or omission.
9. arising out of acts or omissions which do not directly arise out of the **Business**.
10. arising out of any allegation which was or ought to have been notified under any previous policy of insurance held by the **Insured** or in respect of which the **Insured** received any intimation or notice before the **Policy Period**.
11. arising out of any act or omission which takes place outside the territory of New Zealand.
12. arising out of any judgement:
 - 12.1 entered in a court outside New Zealand or by an arbitrator outside New Zealand; or
 - 12.2 which does not apply New Zealand law.
13. arising out of the engagement by the **Insured** of any contractor to dispose of or handle materials unless the **Insured** has taken reasonable steps to ensure that the materials will be disposed of or handled in a lawful manner.
14. for loss, demand, claim or suit arising out of or related in any way to asbestos or asbestos-containing materials. The **Company** shall have no duty of any kind with respect to any such loss, demand, claim or suit.
15. for an allegation or **Circumstance** which was not notified in accordance with this Coverage Section.
16. arising out of any allegation that the **Insured** has breached or committed an offence under an **Act** in connection with:
 - 16.1 offering any **Securities** for issue, including inviting applications for issue of any **Securities**;
 - 16.2 offering any **Securities** for sale, including inviting offers to purchase any **Securities**; or
 - 16.3 any other distribution of **Securities**.

Conditions

1. Compliance

- 1.1 In order to obtain indemnity under this Coverage Section, the **Insured** must:
 - a) at its own expense, use due diligence and do and assist in doing all things which are reasonably practicable to avoid or reduce any **Claim**.
 - b) take all reasonable precautions to comply with the **Acts**.
- 1.2 Where the **Insured**'s failure to comply with 1.1a) and 1.1b) above results in prejudice to the cost, handling and/or settlement of any **Statutory Liability Claim** which in all other respects qualifies to be indemnified under this Coverage Section, the indemnity afforded by this Coverage Section in respect of that **Statutory Liability Claim** shall be reduced to such sum as would have been payable to the **Company** in the absence of that prejudice.

2. **Limit of Liability**

If the available Limit of Liability is inadequate to pay all **Claims** made in one **Policy Period**, the **Company** will pay the types of loss in the following order:

- 2.1 **Penalties and Sentences for Reparation** imposed on the **Principal Organisation**.
- 2.2 **Defence Costs** of the **Principal Organisation**.
- 2.3 **Penalties and Sentences for Reparation** imposed on any other **Organisation**.
- 2.4 **Defence Costs** of any other **Organisation**
- 2.5 **Penalties and Sentences for Reparation** imposed on any **Employee**.
- 2.6 **Defence Costs** of **Employee**.

Employer's Liability Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clause

1. The **Company** agrees to indemnify the **Insured** for **Damages** which the **Insured** is legally obliged to pay, and any **Defence Costs**, up to the **Limit of Liability**, as the result of a **Personal Liability Claim** notified to the **Company** during the **Policy Period**

Exclusions

In addition to the General Exclusions as applicable, the **Company** will not indemnify the **Insured** in respect of any **Claim**:

1. arising out of **Personal Injury** for which cover to any extent is provided by the Accident Compensation Act 2001 ('ACC') or would have been provided by ACC but for the **Insured** being an exempt employer under ACC.
2. arising out of any deliberate or reckless breach of, disregard for, or failure to comply with, the provisions of, or any notice given under the Health and Safety at Work Act 2015.
3. arising out of any allegation which was or ought to have been notified under any previous policy of insurance held by the **Insured** or in respect of which the **Insured** received any intimation or notice before the **Policy Period**.
4. arising out of an act or omission which takes place outside the territory of New Zealand.
5. arising out of any judgment:
 - 5.1 entered in a court outside New Zealand or by an arbitrator outside New Zealand; or
 - 5.2 which does not apply the law of New Zealand.
6. arising out of the engagement by the **Insured** of any contractor to dispose of or handle materials unless the **Insured** has taken reasonable steps to ensure that the materials will be disposed of or handled in a lawful manner.
7. arising out of asbestos and/or related diseases whether directly or indirectly, in whole or in part.
8. for a liability assumed in a contract unless that liability would be implied by law.
9. arising out of any termination of employment or unlawful discrimination against an **Employee**.

Conditions

1. Compliance

- 1.1 In order to obtain indemnity under this Coverage Section, the **Insured** must:
- a) at its own expense, use due diligence and do and assist in doing all things which are reasonably practicable to avoid or reduce any **Claim**;
 - b) take all reasonable precautions to comply with the Health and Safety at Work Act 2015.
- 1.2 Where the **Insured's** failure to comply with 1.1a) and 1.1b) above results in prejudice to the cost, handling and/or settlement of any **Personal Liability Claim** which in all other respects qualifies to be indemnified under this Coverage Section, the indemnity afforded by this Coverage Section in respect of that **Personal Liability Claim** shall be reduced to such sum as would have been payable to the **Company** in the absence of that prejudice.

2. Limit of Liability

- 2.1 If the available **Limit of Liability** is inadequate to pay all **Claims** made in one **Policy Period**, the **Company** will pay the types of loss in the following order:
- a) **Damages** imposed on the **Principal Organisation**.
 - b) **Defence Costs** of the **Principal Organisation**.
 - c) **Damages** imposed on any subsidiary companies.
 - d) **Defence Costs** of any subsidiary companies.
 - e) **Damages** imposed on any **Insured Person**.
 - f) **Defence Costs** for any **Insured Person**.

3. Representation

The **Company** is entitled to appoint a solicitor to act for the **Insured**.

Public and Products Liability Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clause

1. **Public and Products Liability Coverage**

The **Company** agrees to indemnify the **Insured** for all sums which the **Insured** shall be legally liable to pay as **Compensation** on account of:

1.1 **Personal Injury**; or

1.2 **Property Damage**,

during the **Policy Period** as a result of an **Occurrence** happening in connection with the **Business** of the **Insured**, provided such injury or damage does not occur within the United States of America, Canada or their respective protectorates and territories.

2. **Supplementary Payments**

2.1 The **Company** will pay, in addition to the Limit of Liability:

- a) all reasonable charges, expenses and legal costs incurred by or on behalf of the **Insured** with the written consent of the **Company** in the settlement or defence of any claim for **Compensation** in respect of which the **Insured** is entitled to indemnity under this Coverage Section;
- b) all charges, expenses and legal costs recoverable from the **Insured** by claimants in connection with such **Compensation**,

provided that the **Company**'s liability to pay either or both of these types of charges, expenses or legal costs shall cease upon the Limit of Liability having been exhausted by payment of judgments or settlements.

2.2 However this does not apply in the event of a claim being made against the **Insured** in any court or before any other legally constituted body in the United States of America, Canada or their respective protectorates and territories, as the total amount payable in respect of the claim by the **Company** under this Coverage Section for both **Compensation** and all charges, legal costs and expenses will not exceed the Limit of Liability.

Automatic Coverage Extensions

1. Advertising Injury

The **Company** agrees to indemnify the **Insured** in respect of liability for **Personal Injury** from any unintentional:

- 1.1 libel;
- 1.2 slander;
- 1.3 defamation;
- 1.4 invasion of rights of privacy,

arising out of the **Organisation**'s advertising activities.

2. Business Advice/Service/Medical Advice

2.1 Notwithstanding the Professional Liability Exclusion, the **Company** agrees to indemnify the **Insured** in respect of liability for **Personal Injury** or **Property Damage** arising out of:

- a) the rendering of or failure to render medical advice or service by medical persons employed by the Insured to provide first aid on the Insured's premises; or
- b) other professional advice or service not given for a fee.

3. Care Custody & Control and Tenant's Liability

Notwithstanding the Own Property Exclusion, the **Company** agrees to indemnify the **Insured** in respect of liability for **Property Damage** to:

- 3.1 **Premises;**
- 3.2 vehicles, other than vehicles owned or used by or on behalf of the **Insured**, in the care, custody or control of the **Insured** only whilst such vehicles are in a car park owned or operated by the **Insured** other than for income or reward as a car park operator;
- 3.3 **Insured Person**'s and visitors' clothing and personal effects;
- 3.4 any other goods, equipment, merchandise and property (not owned by the **Insured**), other than real property,

provided that a sub limit of NZD500,000 any one **Policy Period** shall apply to this Insuring Clause and a deductible of NZD2,500 for each and every **Occurrence** will apply.

4. Contractors or Subcontractors

4.1 The **Company** agrees to indemnify 'labour only', contractors or sub-contractors as if they were an **Insured**, but only while they are working in New Zealand and:

- a) for and on behalf of an **Insured**; and
- b) are not otherwise insured.

4.2 The Cross Liability Condition does not apply to any claims relating to contractors or sub-contractors.

5. Drones and Unmanned Aerial Vehicles Endorsement

- 5.1 Notwithstanding the exclusion of Aircraft and hovercraft under the Aircraft, Hovercraft, Watercraft Exclusion, the **Company** agrees to indemnify the **Insured** in respect of liability for bodily injury or **Property Damage** occurring within New Zealand which arises out of the ownership, operation or use of any **Drone** and in connection with the **Business** provided that the **Drone**:
- a) does not exceed an individual gross weight of 25kg; and
 - b) is not being used to carry cargo of any nature other than camera equipment; and
 - c) is operated by the Insured from a ground based controller; and
 - d) is not flown or operated where flying is prohibited by central or local government laws, bylaws, rules or regulations; and
 - e) is not flown or operated in contravention to any government department regulations including but not limited to the Civil Aviation Authority and its respective rules and/or regulations, including Part 101 of the New Zealand Civil Aviation Authority Rules.
- 5.2 A sub limit of NZD1,000,000 any one **Policy Period** shall apply to this Extension.
- 5.3 A deductible of NZD2,500 for each and every **Occurrence** will apply.
- 5.4 For the purposes of this Extension, '**Drones**' means
- a) Unmanned Aerial Devices; and
 - b) Remotely piloted systems.

6. Excess Motor Liability

The Vehicles Exclusion does not apply to **Personal Injury** or **Property Damage** resulting from the ownership, possession, control or use by or on behalf of the **Insured** of any vehicle or trailer attached thereto, provided that:

- 6.1 there is separate motor insurance in force in respect of such liability with a limit of liability of at least NZD10,000,000; and
- 6.2 this Extension shall apply only to amounts in excess of such limit of liability to that separate motor insurance above.

7. Indemnity to Principals and Others

The **Company** will indemnify any person or organisation to which an **Organisation** is obligated by virtue of a written contract to provide insurance as is afforded by this Coverage Section, but only for the vicarious liability of such person or organisation arising out of the performance by that **Organisation** of such written contract and for such coverage and Limit of Liability.

8. Innkeepers Liability

- 8.1 Notwithstanding the Own Property Exclusion, the **Company** agrees to indemnify the **Insured** in respect of all sums the **Insured** is legally liable to pay as **Compensation** under the Innkeepers Act 1962 on account of **Property Damage** happening during the **Policy Period** in connection with the **Business**.
- 8.2 A sub limit of NZD1,000,000 any one **Policy Period** shall apply to this Extension.
- 8.3 A deductible of NZD2,500 for each and every **Occurrence** will apply.

9. **Goods on Hook**

- 9.1 Notwithstanding the Faulty Workmanship, Own Property, Property Worked Upon, and Vehicles Exclusions, the **Company** agrees to indemnify the **Insured** for liability for **Property Damage** to property whilst being lifted, lowered, moved by or carried by any crane owned, operated or hired by the **Insured**.
- 9.2 A sub limit of NZD500,000 any one **Policy Period** shall apply to this Extension.
- 9.3 A deductible of NZD2,500 for each and every **Occurrence** will apply.

10. **Lost or Stolen Keys**

- 10.1 The **Company** agrees to indemnify the **Insured** for their legal liability for costs reasonably and necessarily incurred in alteration or replacing locks, and their keys or combinations, if the keys or combinations are lost, stolen or believed on reasonable grounds to have been duplicated without proper authority, during the **Policy Period**, provided that:
- a) the keys or combinations are in the **Insured's** possession in connection with the **Business**, and
 - b) the **Insured** does not own, hire, lease or rent the property to which the keys or locks relate.
- 10.2 A sub limit of NZD250,000 any one **Policy Period** shall apply to this Extension.
- 10.3 A deductible of NZD2,500 for each and every **Occurrence** will apply.

11. **Mechanical Plant**

Notwithstanding the Vehicle Exclusion, the **Company** agrees to indemnify the **Insured** in respect of liability for **Personal Injury** or **Property Damage**:

- 11.1 arising from the loading or unloading of any **Vehicle** used by or on behalf of the **Insured** but not where the **Vehicle** is under the care custody or control of the **Insured**; or
- 11.2 arising from any **Vehicle** that either has plant or machinery attached to it or is primarily designed as mobile plant or machinery, while it is operating as plant or machinery.

12. **NZ Exemplary Damages**

- 12.1 Notwithstanding the Fines, Penalties and Damages Exclusion, the **Company** agrees to indemnify the **Insured** for **Exemplary Damages** which the **Insured** is legally obliged to pay as a result of a claim for **Personal Injury** that is covered under this Coverage Section, provided that such claim:
- a) is first made against the **Insured** during the **Policy Period**; and
 - b) is notified to the **Company** during the **Policy Period**; and
 - c) is brought by, or on behalf of, a person who has suffered a **Personal Injury**.
- 12.2 The cover provided by this Extension ceases at the end of the **Policy Period**. However, the **Company** agrees to indemnify the **Insured** under this Extension in respect of a claim which is first made against the **Insured** after the end of the **Policy Period**, if the claim arises from circumstances which arose during the **Policy Period** and which the **Insured** has notified to the **Company** during the **Policy Period**.
- 12.3 A sub limit of NZD2,000,000 any one **Policy Period** shall apply to this Extension.
- 12.4 A deductible of NZD2,500 for each and every **Occurrence** will apply.

- 12.5 In addition to the sub limit specified above, the **Company** agrees to pay the expenses and costs referred to in the Supplementary Payments Insuring Clause in relation to the claims covered by this Extension.
- 12.6 For the purposes of the coverage provided by this Extension only:
- a) the Definition of “**Occurrence**” is deleted and replaced with the following:
- “**Occurrence**” means an event including continuous or repeated exposure to conditions which results in **Personal Injury** neither expected nor intended from the standpoint of the **Insured**. All **Occurrences** of a series consequent on or attributable to one source or original cause shall be deemed one **Occurrence**.
- b) “**Exemplary Damages**” means exemplary damages paid or agreed to be paid by judgment or settlement for **Personal Injury** provided such damages only payable in respect of an **Occurrence** to which this Extension applies.
- 12.7 In addition to the Exclusions applicable to this Coverage Section specifically and generally, solely in relation to this Extension, the **Company** shall not indemnify the **Insured** against:
- a) any claim made, threatened, or in any way intimated against the **Insured** before the Policy Period commences;
- b) any claim arising from a circumstance that, at the start of the **Policy Period**, the **Company** agrees to indemnify the **Insured** in respect of liability for was aware or ought to reasonably have been aware may give rise to a claim against the **Insured**;
- c) any claims or circumstance disclosed on the proposal for insurance or which the **Insured** has notified to any previous insurer (including the **Company**);
- d) any claim arising out of any statement, act or omission of the **Insured** made, done or committed outside New Zealand;
- e) any claim against the **Insured** brought outside New Zealand or any settlement or compromise of a claim entered into outside New Zealand;
- f) any claim arising out of the enforcement of a judgment, order or award obtained outside New Zealand;
- g) any claim as a result of any judgment entered in any Court, other than a New Zealand Court applying the law of New Zealand; or
- h) any claim arising directly or indirectly from deliberate, intentional or malicious conduct by the **Insured**.
- 12.8 In addition to the Conditions applicable to this Coverage Section generally and specifically, it is a condition precedent to the **Insured’s** right to be indemnified under this Extension that the **Insured** must notify the **Company** as soon as possible in writing if:
- a) any claim for **Exemplary Damages** is made against the **Insured**; or
- b) the **Insured** is notified of any matter which may give rise to a claim under this Extension; or
- c) the **Insured** becomes aware of any circumstances which may give rise to a claim under this Extension.

This applies even if the claim is likely to be less than the **Deductible**.

13. **Product Recall Expenses**

- 13.1 Notwithstanding the Product Recall Exclusion, the **Company** will indemnify the **Insured** for 80% of the costs and expenses incurred to instigate and carry out a withdrawal or recall of **Products** from use in New Zealand, where they have the same defect as other **Products** for which there was a claim accepted under this **Policy** for **Personal Injury** or **Property Damage** in the preceding 12 months. The prior approval of the **Company** must have been obtained prior to the withdrawal or recall of **Products**.

13.2 A sub limit of NZD100,000 any one **Policy Period** shall apply to this Extension.

13.3 A deductible of NZD2,500 for each and every **Occurrence** will apply.

14. **Service and Repair**

14.1 Notwithstanding the Aircraft, Hovercraft, Watercraft Exclusion, Property Worked Upon Exclusion, and Vehicle Exclusion, the **Company** will indemnify the **Insured** for liability arising from **Property Damage** to all **Watercraft**, vehicles, machinery and parts thereof that are, or have been, in the care custody or control of the **Insured** for the purposes of service and/or repair, subject to the following sub limits:

- a) **Property Damage** to the **Watercraft**, vehicles or machinery being serviced or repaired:
Sub Limit: NZD250,000 any one **Policy Period** shall apply to this Extension; and
- b) **Property Damage** to other property arising from service and/or repairs to the **Watercraft**, vehicles or machinery: Sub Limit: NZD250,000 any one **Policy Period** shall apply to this Extension,

provided that in all cases there is no cover for liability for the costs of rectifying defective or faulty:

- i. workmanship; or
- ii. materials,

in respect of the actual **Watercraft**, vehicle and/or machinery being worked upon.

14.2 A deductible of NZD\$2,500 for each and every **Occurrence** shall apply.

15. **Sudden and Accidental Pollution**

The Pollution Exclusion shall not apply to **Personal Injury** or **Property Damage**:

15.1 which arises from a sudden, identifiable, unintended and unexpected event from the standpoint of the **Insured**; and

15.2 which takes place in its entirety at a specific time and place and occurs outside of the United States of America, Canada and their respective protectorates and territories.

16. **USA and Canada**

The **Company** agrees to indemnify the Insured in respect of **Personal Injury** or **Property Damage** occurring in the United States of America, Canada and their respective protectorates and territories arising from:

16.1 The activities of travelling executives and salesmen on **Business** who are non-resident in such countries.

17. **Underground Services**

17.1 The **Company** agrees to indemnify the **Insured** in respect of **Property Damage** in New Zealand to existing underground services, cables, pipes or equipment, provided that:

- a) prior to the commencement of any work, the **Insured** inquired of the relevant authority, corporation or company as to the location of such underground services, cables, pipes or equipment; and
- b) the Insured took all reasonable precautions to prevent **Property Damage**;

17.2 A deductible of NZD2,500 for each and every **Occurrence** will apply.

18. **Vendors Indemnity**

18.1 The **Company** agrees to include as an additional insured any person who or organisation which distributes or sells **Products** in the regular course of their business, ("Vendor"), but only with respect to **Personal Injury** or **Property Damage** arising out of the distribution or sale of **Products**.

18.2 Provided that:

- a) the **Insured** is required to indemnify the Vendor by contract;
- b) this Extension does not apply to any liability of the Vendor in connection with:
 - i. any express warranty, or any distribution or sale for a purpose, unauthorised by the **Principal Organisation**;
 - ii. **Personal Injury** or **Property Damage** arising out of:
 - A. any act of the Vendor which changes the condition of the **Products**;
 - B. any failure to maintain the **Products** in merchantable condition;
 - C. any failure to make such inspections, adjustments tests or servicing as the Vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the **Products**; or
 - D. **Products** which after distribution or sale by the Insured have been labelled or re-labelled or used as a container, part or ingredient of any other thing or substance by or for the Vendor;
 - iii. **Personal Injury** or **Property Damage** occurring within the Vendor's premises not directly caused by the **Insured's Products**.
- c) this Extension does not apply to any liability of the Vendor which arises from the **Insured's** acquisition from the Vendor of any products or any ingredient, part or container of such products.

19. Vibration and Removal of Support

19.1 The **Company** agrees to indemnify the **Insured** for or in respect of **Personal Injury** and **Property Damage** in New Zealand arising from the vibration, or removing, weakening or interfering with, the support of land or buildings provided that the land or buildings are not owned or occupied by the **Insured** and the **Personal Injury** or **Property Damage** arises from the actions of the **Insured**.

19.2 A deductible of NZD2,500 for each and every **Occurrence** will apply.

20. Warrant of Fitness

20.1 Notwithstanding the Professional Liability Exclusion, the **Company** agrees to indemnify the **Insured** in respect of **Property Damage** arising out of a negligent act, error or omission in connection with:

- a) the inspection and certification of vehicles for the issuing of a warrant of fitness or other inspection certificate as may be required by law, or
- b) vehicle "pre-purchase" or inspection services;

20.2 Provided that:

- a) the **Insured** holds all of the requisite licences, qualifications or certifications required by law to perform such services; and
- b) there is no cover for the valuation of any vehicle, motorcycle, watercraft, motor and/or accessory of any property whatsoever.

20.3 A sub limit of NZD500,000 any one **Policy Period** shall apply to this Extension.

20.4 A deductible of NZD2,500 for each and every **Occurrence** will apply.

Exclusions

In addition to the General Exclusions as applicable, this Coverage Section does not cover:

1. **Aircraft, Hovercraft, Watercraft**

legal liability for **Personal Injury** or **Property Damage** arising out of the ownership, maintenance, operation or use by the Insured of:

1.1 any **Aircraft** or hovercraft; or

1.2 any **Watercraft** exceeding 15 metres in length while on, in or under water. However this shall not apply to **Watercraft** not owned or operated by the Insured but used by the Insured for **Business** entertainment purposes.

2. **Aircraft Products**

legal liability arising from any product that is incorporated with the Insured's knowledge in an Aircraft.

3. **Asbestos**

any loss, demand, claim, suit or other **Occurrence** arising out of or related in any way to asbestos or asbestos-containing materials. The **Company** shall have no duty of any kind with respect to any such loss, demand, claim suit, or **Occurrence**.

4. **Building Defects & Mould**

4.1 legal liability for **Personal Injury** or **Property Damage** (or charges, expenses and legal costs) which is directly or indirectly caused by, arising out of or in any way connected with:

- a) the actual, threatened or alleged ingress, inhalation, discharge, dispersal, seepage, migration, absorption, release or escape of external water, liquid or moisture from any source at any time in or into any building or structure or any materials or components thereof; or
- b) the actual, threatened or alleged existence or effects of any concentration of external water, liquid or moisture on or within any building or structure or any materials or components thereof; or
- c) the actual, threatened or alleged existence or effects of:
 - i. fungus, mould, mildew, yeast, rot, decay, gradual deterioration, micro-organisms, bacteria, protozoa or any similar or like forms; or
 - ii. any spore, toxin, vapour, gas or other emission or organic or inorganic body or substance, created, produced by or emanating from such fungus, mould, mildew, yeast, rot, decay, gradual deterioration, micro-organisms, bacteria, protozoa or any similar or like forms, in any building or structure or any materials or components thereof; or

4.2 any costs or expenses arising out of the preventing, abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating or disposal of, or in any way responding to or assessing the matters set out in paragraphs (a), (b) and/or (c) above; or

4.3 the actual, threatened or alleged failure of any building or structure or any materials or components thereof to comply with or conform to the requirements of the New Zealand Building Code contained in the first Schedule to the Building Regulations 1992 (or any amendment or substitution thereof) or to meet the level of performance, quality, fitness or durability of its intended purpose, in relation to:

- a) external water, liquid or moisture; or

- b) protection from external water, liquid or moisture entering that building or structure or any materials or components thereof, or the effects thereto.

4.4 This Exclusion shall apply regardless of any other cause, event, building materials or building components that contributed concurrently or in any sequence to the **Personal Injury** or **Property Damage** (or charges, expenses and legal costs).

4.5 However this Exclusion shall not exclude any indemnity for **Personal Injury** or **Property Damage** that is caused by or arises out of leakage of internal water pipes or cisterns.

5. **Data and Cyber Exclusion**

5.1 any loss, damage, liability, claim, cost or expense arising directly or indirectly from or in connection with:

- a) the modification, corruption, loss, destruction, theft, misuse, illegitimate access, or unlawful or unauthorised processing or disclosure of Data or the loss, destruction or theft of any computer, electronic device, hardware or component thereof which contains **Data**.
- b) any:
 - i. unauthorised access (including access by **Malware**) to;
 - ii. presence of **Malware** on;
 - iii. spread of **Malware** by;
 - iv. unauthorised use of;
 - v. malicious use of; or
 - vi. malicious interference with (including, but not limited to, a distributed denial of service attack against);

of any Computer System owned, operated, controlled, leased, used, sold, supplied, altered, constructed, repaired, serviced, designed, tested, installed or processed by or on behalf of the Insured.

5.2 For the purposes of this exclusion only:

a) **Computer System** means

any computer hardware, software, firmware, electronic device, electronic data storage device, electronic data backup facility, networking device, or any components thereof or any associated input and output devices, including those that have the capability to be linked together through the internet or internal network or that are connected through data storage or other devices.

b) **Data** means

any corporate or personal information in any format and includes, but is not limited to, records, reports, designs, plans, formulas, processes, trade secrets, patents, financial information, medical or healthcare information, contact information, account numbers, account histories, passwords or credit or debit card details, whether or not in electronic form, and whether or not belonging to the Insured.

c) **Malware** means

programmes, files or instructions of a malicious nature which may disrupt, harm, impede access to, or in any way corrupt the operation of or Data within, any software or **Computer System**, including, but not limited to, malicious code, ransomware, cryptoware, virus, trojans, worms and logic or time bombs.

6. **Employment Liability**

legal liability for **Personal Injury** to any person arising out of or in the course of employment of such person by the **Insured** or any liability that the **Insured** is or would be entitled to indemnity under any fund, scheme, policy of insurance or self-insurance pursuant to or required by any legislation relating to workers' compensation whether or not such insurance has been effected.

7. **Faulty Workmanship**

any claims in respect of the cost to rectify faulty workmanship, provided that this Exclusion shall not apply to **Personal Injury** or **Property Damage** resulting from such faulty workmanship.

8. **Fines, Penalties and Damages**

finer, penalties, punitive, exemplary, liquidated or aggravated damages.

9. **Genetically Modified Organisms (GMOs)**

9.1 legal liability for **Personal Injury** or **Property Damage** arising from any condition directly or indirectly caused by or associated with Genetically Modified Organisms (**GMOs**).

9.2 For the purpose of this Exclusion, "**GMOs**" shall mean any organism in which the genetic material has been modified or altered through gene technology in a way that does not occur naturally by multiplication and/or natural recombination.

10. **Loss of Use**

10.1 legal liability for loss of use of tangible property which has not been physically injured or destroyed resulting from:

- a) a delay in or lack of performance by or on behalf of the **Insured** of any contract or agreement, or
- b) the failure of **Products** or work performed by or on behalf of the **Insured** to meet the level of performance, quality, fitness or durability warranted or represented by the **Insured**.

10.2 This Exclusion does not apply to loss of use of property other than the **Products** resulting from the sudden and accidental physical injury to or destruction of the **Products** or work performed by or on behalf of the **Insured** after such products or work have been put to use by any person or organisation other than the **Insured**.

11. **Molestation**

11.1 legal liability for **Personal Injury** sustained by any person arising out of or resulting from the molestation of or interference with any person by any **Insured**.

12. **Own Property and Property in the Insured's Care, Custody or Control**

Property Damage to:

12.1 property owned by the **Insured**, or in the **Insured's** care, custody or control; or

12.2 **Products** arising out of such products or any part of such products.

13. **Pollution**

legal liability for **Personal Injury** or **Property Damage** arising out of the discharge, dispersal, release or escape of **Pollutants**.

14. **Product Guarantee**

any product guarantee or warranty given by or on behalf of the **Insured** but this Exclusion does not apply to legislative requirements concerning product safety and information.

15. **Product Recall**

the liability or costs of withdrawal, recall, inspection, repair, adjustment, removal, replacement or loss of use of **Products** or work completed by or for the **Insured** and/or the withdrawal or recall of any property of which such products form a part.

16. **Professional Liability**

legal liability for **Personal Injury** or **Property Damage** arising from the rendering of or failure to render professional advice or services by the **Insured** or any error or omission connected therewith.

17. **Property Worked Upon**

legal liability for **Property Damage** to property on which the **Insured** is or has been working if the **Property Damage** is caused directly by that work.

18. **Vehicles**

18.1 legal liability for **Personal Injury** or **Property Damage** arising out of the use of any vehicle owned by, or in the physical or legal control of the **Insured**:

- a) which is or should have been registered; or
- b) in respect of which insurance is required by virtue of any legislation relating to vehicles; or
- c) which is otherwise insured in respect of the same liability.

18.2 This Exclusion does not apply to vehicles described in the Care Custody & Control and Tenant's Liability Extension.

Conditions

1. **Cross Liability**

1.1 In the event of claims being made by reason of **Personal Injury** suffered by any employee of one **Insured** for which another **Insured** is legally liable, then this Coverage Section shall cover such **Insured** against whom a claim is made in the same manner as if separate policies had been issued to each **Insured** under this Coverage Section;

1.2 In the event of claims being made by reason of **Property Damage** to property belonging to one **Insured** for which another **Insured** is legally liable then this Coverage Section shall cover such **Insured** against whom a claim is made in the same manner as if separate policies had been issued to each **Insured** under this Coverage Section,

provided that this Condition shall only apply where the **Insured** are separate legal entities. Nothing contained in this clause shall operate to increase the **Limit of Liability**.

2. **Deductible**

2.1 The Deductible applies to each **Occurrence**.

2.2 The applicable Deductible is payable by the **Insured** at such time required by the **Company**.

3. **Hot Work Warranty**

3.1 It is warranted by the **Insured** that any **Hot Work** carried out either by it or by any person for whom the **Insured** is legally responsible will be undertaken strictly in accordance with New Zealand Standard 4781:1973 Code of Practice for Safety in Welding and Cutting (and any amendment or substitution thereto) and/or its equivalents in any relevant jurisdiction.

3.2 For the purpose of this Condition:

“**Hot Work**” means the use of any electric, oxy-acetylene, laser or similar welding or cutting and spark producing equipment, blow lamps (including electric hot air blowers) or other heat or flame producing apparatus and allied processes.

4. **Insured’s Duties in the event of an Occurrence, Claim or Suit**

4.1 The **Insured** shall give notice in writing to the **Company** as soon as practicable of every **Occurrence** and shall immediately forward to the **Company** all information relevant to such **Occurrence** received or held by the **Insured** or its representative.

4.2 In the event of an **Occurrence** or the likelihood of an **Occurrence** the **Insured** shall take at its own expense all reasonable steps to prevent **Personal Injury** or **Property Damage** arising, or continuing out of the same or similar conditions.

4.3 The **Insured** shall co-operate with the **Company** and, upon the **Company’s** request, assist in making settlements, in the conduct of allegations, claims, litigation, proceedings and suits and in enforcing any right of contribution or indemnity against any person or organisation who may be liable to the **Insured** because of an **Occurrence** and the **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Insured** shall not without the consent in writing of the **Company** make any admission, offer, promise or payment in connection with any **Occurrence** or claim, and the **Company** if it so desires shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim.

5. **Limit of Liability**

5.1 The **Company’s** liability under this Coverage Section shall not exceed the Limit of Liability for any one **Occurrence**.

5.2 In respect of any legal liability to pay **Compensation** which arises out of **Products Hazard**, the **Company’s** total aggregate liability under this Coverage Section during any one **Policy Period** shall not exceed the Limit of Liability.

6. **Premium**

Unless otherwise provided for, the premium for this Coverage Section is an adjustable premium. In the event of additional **Insureds** being added to the coverage or increased exposure under this Coverage Section, notice shall be given to the **Company** who shall be entitled to charge an appropriate additional premium.

Umbrella Defence Costs in Addition Coverage Section

The terms and conditions of this Coverage Section apply only to this Coverage Section and should be read in conjunction with the General Terms and Conditions.

Where terms defined within this Coverage Section appear within the General Terms and Conditions, the definition contained in this Coverage Section shall apply for the purposes of determining coverage. If the terms and conditions within this Coverage Section conflict with the General Terms and Conditions, the terms of this Coverage Section take priority.

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the **Company** and the **Insured** agree as follows:

Insuring Clause

1. Coverage under this Insuring Clause shall only attach where:
 - 1.1 the **Insured** is entitled to an indemnity under a Relevant Coverage Section; and
 - 1.2 solely due to a **Statutory Charge** the **Company** is unable or unwilling to pay **Costs and Expenses** that are otherwise covered and payable under a Relevant Coverage Section,in which case the **Company** will pay such **Costs and Expenses** under this Coverage Section.

Limit of Liability

1. The Limit of Liability set forth in the Umbrella Defence Costs in Addition Coverage Section Schedule is the **Company's** maximum liability for all **Costs and Expenses** under this Coverage Section for all **Insureds** irrespective of the number of claims under this Coverage Section, the amount claimed or the number of entities or **Insureds** who claim.
2. Where **Costs and Expenses** covered under this Coverage Section is subject to a sub-limit in a Relevant Coverage Section then such sub-limit shall:
 - 2.1 apply to this Coverage Section; and
 - 2.2 be part of and not in addition to the Limit of Liability set forth in the Umbrella Defence Costs in Addition Coverage Section Schedule.
3. The Limit of Liability for **Costs and Expenses** under this Coverage Section shall not be part of and is separate to the Limits of Liability and sub-limits set forth in the Schedule to the Relevant Coverage Section.
4. Payment of **Costs and Expenses** under this Coverage Section shall not reduce the Limits of Liability and sub-limits set forth in the Schedule to the Relevant Coverage Section.

General Terms and Conditions

In consideration of the payment of the premium, the **Company** and the **Principal Organisation**, on behalf of all **Insureds**, agree:

1. The definitions, terms and conditions set forth in these General Terms apply to all parts and sections of this Policy.
2. A term in these General Terms and Conditions which is also defined in any Coverage Section shall have the meaning provided for that term in that Coverage Section for the purposes of determining coverage in that Coverage Section.
3. If any of these General Terms and Conditions are inconsistent with the definitions, terms and conditions of a Coverage Section, then the definition, term or condition of that Coverage Section shall take priority.
4. The cover in each Coverage Section only applies if the Declaration shows that you have selected and paid for that particular Coverage Section.

General Conditions

1. **Alteration and Assignment**

No change in, modification of, or assignment of interest under this policy shall be effective except when made by a written endorsement to this Policy which is signed by a member of the **Control Group**.

2. **Alteration of Risk**

2.1 Every change materially affecting the facts or circumstances existing at the commencement of the risk covered by this Policy, or at any subsequent renewal date, shall be notified to the **Company** as soon as practicable after such change comes to the notice of the **Insured Representative**.

2.2 Following receipt of such notice, the **Company** shall have the right to either:

- a) exclude coverage for this additional exposure by issuing an endorsement to this Policy specifically excluding such exposure; or
- b) offer to provide coverage for this additional exposure by issuing a quote to the **Principal Organisation** for such coverage.

2.3 Coverage for any such additional exposure shall be provided by the **Company** only if the **Principal Organisation**:

- a) provides the **Company** with full particulars of the event(s), as requested by the **Company**, that materially alter the risk covered by this Policy;
- b) accepts in writing the terms, conditions and additional premium required by the **Company** for such coverage; and
- c) pays such additional premium when due.

3. **Authority**

By acceptance of this Policy, the **Principal Organisation** agrees to be the sole agent of and act on behalf of each insured with respect to:

- 3.1 the giving and receiving of notice of claim or termination;
- 3.2 the payment of premiums and the receiving of any return premiums that may become due under this Policy;
- 3.3 the negotiation, agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this policy (except the giving of notice to apply for the Extended Reporting Period); and
- 3.4 the adjustment of, and the receipt of payment of, any amounts payable under the Policy.

4. **Confidentiality**

It is a condition of this Policy that each **Insured** and/or persons at their direction or on their behalf shall not disclose the existence of this Policy, its Limits of Liability, the nature of the liability indemnified, or the premium payable under it to any third party except to the extent:

- 4.1 they are required by law to do so; or
- 4.2 the **Company** consents, in writing, to such disclosure.

5. **Cessation of Subsidiaries**

- 5.1 If any organisation ceases to be a **Subsidiary**, before or after the inception date of this Policy, then with respect to the:
 - a) Directors and Officers Liability Coverage Section, Employment Practices Liability Coverage Section, Miscellaneous Professional Indemnity Coverage Section, and the Cyber Coverage Section insofar as any Privacy and Network Liability and Media Liability, coverage under this Policy shall continue for such **Subsidiary** and the **Insured** in relation thereto until termination of this Policy, or any renewal thereof, but solely for **Claims for Wrongful Acts** occurring prior to the effective date of such cessation; or
 - b) Crime Coverage Section, Kidnap, Ransom and Extortion Coverage Section, Cyber Coverage Section other than above, Statutory Liability Coverage Section, Employer's Liability Coverage Section and Public and Products Liability Coverage Section, such **Subsidiary** and the **Insured** in relation thereto cease to be **Insureds** as of the effective date of such cessation, and coverage under this Policy shall apply as provided in such Coverage Section.

6. **Subsidiaries Acquired During Policy Period**

- 6.1 If an **Organisation** during the **Policy Period**:
 - a) acquires securities or voting rights in another entity or creates another entity which as a result of such acquisition or creation becomes a **Subsidiary**; or
 - b) acquires any entity by merger into or consolidation with itself such that the **Organisation** is the holding company,

then such other entity and the **Insured** in relation thereto shall be **Insureds** under this Policy:

 - i. solely for **Wrongful Acts** occurring after the effective date of such acquisition or creation, with respect to the Directors and Officers Liability Coverage Section, Employment Practices Liability Coverage Section, Miscellaneous Professional Indemnity Coverage Section, and the Cyber Coverage Section insofar as any Privacy and Network Liability and Media Liability;

- ii. solely for loss sustained after the effective date of such acquisition or creation, with respect to the Crime Coverage Section, Kidnap, Ransom and Extortion Coverage Section, Statutory Liability Coverage Section, Employer's Liability Coverage Section and Public and Products Liability Coverage Section.

6.2 However, if such acquired or created entity:

- a) has total consolidated assets that increase the total consolidated assets or turnover of the **Organisation** by more than twenty-five per cent (25%) as reflected in the most recent audited, consolidated financial statements of the **Organisation** and, in the case of such acquisition, the acquired organisation; or
- b) is located, incorporated, domiciled or operates in, or has securities listed on any exchange in the United States of America and any territory under its jurisdiction; or
- c) has activities or operations which are not the same as the **Business**,

then the **Principal Organisation** shall give written notice of such acquisition or creation to the **Company** as soon as practicable, but in no event later than sixty (30) days after the date of such acquisition or creation, together with such information as the **Company** may require. If the **Principal Organisation** fails to give such notice within that specified time, coverage for such acquired or created entity and the **Insured Persons** in relation thereto shall terminate with respect to **Claims** first made more than sixty (60) days after such acquisition or creation. In the event of such acquisition or creation, the **Company** shall have the right to amend the terms, conditions and exclusions of this **Policy** including charging an additional premium.

6.3 The **Company** may agree, after presentation of a complete **Proposal**, to provide cover for **Wrongful Acts** occurring or loss sustained prior to such acquisition or creation and shall have the right to amend the terms, conditions and exclusions of this **Policy** including charging an additional premium.

7. Organisational Change

7.1 If, during the **Policy Period**, an **Organisational Change** occurs, then coverage under this Policy shall, with respect to the:

- a) Directors and Officers Liability Coverage Section, Employment Practices Liability Coverage Section, Miscellaneous Professional Indemnity Coverage Section, and the Cyber Coverage Section insofar as any Privacy and Network Liability and Media Liability continue until the expiration of this **Policy**, but only with respect to **Claims** for **Wrongful Acts** occurring prior to, and **Formal Investigations** into conduct occurring prior to such **Organisational Change**.
- b) Crime Coverage Section, Kidnap, Ransom and Extortion Coverage Section, Cyber Coverage Section other than above, Statutory Liability Coverage Section, Employer's Liability Coverage Section and Public and Products Liability Coverage Section, terminate.

7.2 Where the **Organisation's** board of directors at the time of the **Organisational Change** remains in control after the **Organisational Change** for an interim period and then resign, coverage shall continue with respect to **Claims** for **Wrongful Acts** occurring prior to, and **Formal Investigations** into conduct occurring prior to, the resignation of such board.

7.3 The **Principal Organisation** shall give written notice of such **Organisational Change** to the **Company** as soon as practicable, but in no event later than sixty (30) days, after the date of such **Organisational Change** together with such information as the **Company** may require.

7.4 Upon receipt of such notice and information and at the request of the **Principal Organisation**, the **Company** will provide to the **Principal Organisation** a quotation for an extension of coverage for a period of up to eighty four (84) months for **Claims** for

Wrongful Acts occurring prior to, and **Formal Investigations** into conduct occurring prior to, such **Organisational Change**. Any coverage extension pursuant to such quotation shall be subject to such additional or different terms and conditions and limitation of coverage and the payment of such additional premium as the **Company**, in its sole discretion, may require. Payment of the additional premium due for any coverage extension purchased under this section must be received by the **Company** within thirty (30) days following the acceptance by the **Principal Organisation** of a quotation by the **Company**.

7.5 Any extension of cover purchased by the **Principal Organisation** pursuant to this section shall commence at the expiration of the cover provided for in 7.1a) above.

7.6 If an extension of cover is purchased pursuant to this section then the entire premium paid shall be deemed fully earned as of the coverage extension and such extension cannot be cancelled or amended by the **Insureds** or the **Company**.

8. **Effective Notice**

8.1 All notices to the **Company** under this Policy shall be addressed to:

Chubb Insurance New Zealand Limited
PO Box 784
Auckland

8.2 Any such notice shall be effective on the date of receipt by the **Company** at such address.

9. **Extended Reporting Period**

9.1 If this **Policy** or any Coverage Section (except the Crime Coverage Section, Kidnap, Ransom and Extortion Coverage Section, and Public and Products Liability Coverage Section) is terminated or not renewed by either the **Company** or the **Principal Organisation** for any reason, other than non-payment of premium, and provided no **Organisational Change** has occurred, the **Principal Organisation** and the **Insured Persons** shall have the right:

- a) upon payment of the additional premium set forth in Item 5(a) of the Declarations, to an Extended Reporting Period of 365 days from the expiry date of the **Policy Year**; or
- b) if the 365 day Extended Reporting Period is not purchased, to an Extended Reporting Period of 90 days, for which there is no additional premium payable.

9.2 This Extended Reporting Period applies only to **Claims** or **Wrongful Acts** occurring prior to, and **Formal Investigations** into conduct occurring prior to, the effective date of termination or non-renewal.

9.3 The right to an Extended Reporting Period of 365 days shall lapse within 30 days following the effective date of termination or non-renewal unless written notice of such election, together with payment of the additional premium due, is received by the **Company**.

9.4 If an Extended Reporting Period is elected, then it cannot be cancelled by the **Insured** or the **Company**.

9.5 If the 365 day Extended Reporting Period is purchased, then the entire premium noted in Item 5(a) of the Declarations shall be deemed fully earned at the inception of such Extended Reporting Period.

9.6 Any **Claim** made during the Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**.

10. **GST**

- 10.1 If an **Insured** is liable to pay tax under section 5 (13) of the Goods and Services Tax Act 1985 (or any statutory amendment or re-enactment of the section or Act) upon receiving any indemnity payment under this Policy, the **Company** will indemnify the **Insured** for the costs of that tax.
- 10.2 The indemnity under this section is payable by the **Company** in addition to the Limit of Liability.

11. **Jurisdiction**

New Zealand law governs this contract and all proceedings must be commenced in New Zealand. New Zealand courts shall have exclusive jurisdiction to determine any claims.

12. **Other Insurance**

- 12.1 If there is any cover under any other policy then this Policy, subject to its limitations, conditions, provisions and other terms, will only provide cover to the extent that the amount involved is in excess of the amount of such other insurance.
- 12.2 The **Insured** agrees to provide the **Company** all details of any policies effected once they become known to them.

13. **Sanctions Exclusion**

The **Company** shall not be deemed to provide cover and **Company** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **Company**, its parent or its ultimate holding company, to any sanction, prohibition or restriction implemented pursuant to resolutions of the United Nations or the trade and economic sanctions, laws or regulations of the European Union, United Kingdom, New Zealand or United States of America.

14. **Territory**

To the extent permitted by law and subject to the terms of this Policy, the Policy covers **Wrongful Acts** committed and **Claims** made anywhere in the world unless otherwise specified in a particular Coverage Section.

15. **Valuation and Currency**

All premiums, limits, deductibles, loss and other amounts under this policy are expressed and payable in New Zealand currency. If judgment is rendered, settlement is denominated, or any element of loss is stated in a currency other than New Zealand dollars, then payment under this policy shall be made in New Zealand dollars at the mid rate of exchange published in the currency conversion web site, Oanda.com, or if it is no longer current, a currency conversion web site selected by the **Company**, on the date the final judgment is reached, the amount of the settlement is agreed upon or any element of loss is due, respectively.

16. **Policy Construction**

- 16.1 The title and any headings or sub-headings are solely for convenience and form no part of the terms and conditions of coverage.
- 16.2 The singular includes the plural and the plural includes the singular, unless otherwise indicated.

17. Termination

17.1 This Policy shall terminate at the earliest of the following times:

- a) thirty (30) days after the receipt by the **Principal Organisation** of a written notice of termination from the **Company** except in the case of termination for non-payment of premium, in which case it will be fourteen (14) days after receipt of a prior written notice or, if a later time is specified in such notice, at such later time;
- b) upon the receipt by the **Company** of written notice of termination from the **Principal Organisation**; However, this Policy may not be terminated by the **Principal Organisation** after the effective date of an **Organisational Change**;
- c) upon expiration of the **Policy Period** as set forth in Item 2 of the Declarations to these General Terms and Conditions; or
- d) at such other time as may be agreed upon in writing by the **Company** and the **Principal Organisation**.

17.2 The **Company** shall refund the unearned premium computed at customary short rates if this Policy is terminated by the **Principal Organisation**. Under any other circumstances the refund shall be computed pro rata. Payment or tender of any unearned premium by the **Company** shall not be a condition to the effectiveness of a notice of termination, but such payment shall be made as soon as practicable.

Limits of Liability

1. If the Combined Maximum Aggregate Limit of Liability set forth in item 3 of the Declarations is selected, the **Company's** maximum liability under all Coverage Sections except the Public and Products Liability ("Aggregated Coverage Sections") for all claims first made during the same **Policy Period**, whether covered under one or more of the Aggregated Coverage Sections shall be the Combined Maximum Aggregate Limit of Liability for each **Policy Period** set forth in Item 3 of the Declarations.
2. If the Combined Maximum Aggregate Limit of Liability set forth in Item 3 of the Declarations is not selected, the **Company's** maximum liability under each Coverage Section on account of all claims first made during the same **Policy Period**, whether covered under one or more Coverage Sections, shall be the Limit of Liability set forth in the Schedule of each applicable **Coverage Section**.
3. Regardless of whether the Combined Maximum Aggregate Limit of Liability set for in item 3 of the Declarations is selected or not, the **Company's** maximum liability under the Public and Products Liability Coverage Section on account of all claims first made during the same **Policy Period** shall be the Limit of Liability set forth in the Schedule of the Public and Products Liability Coverage Section.
4. Except with respect to Public and Products Liability Coverage, covered **Defence Costs** are part of and not in addition to the applicable maximum Limit of Liability for each applicable Coverage Section. The payment by the **Company** of **Defence Costs** erodes such Limits of Liability unless those **Defence Costs** are paid under the Umbrella Defence Costs Coverage Section, in which case the payment of such **Defence Costs** erodes the Limits of Liability in the Umbrella Defence Costs Coverage Section.
5. Where any claim is paid under the Cyber Coverage Section in respect of **Regulatory Fines**, this shall also reduce the Limit of Liability set forth in Item 4 of the Declarations in respect of the Statutory Liability Coverage Section by that amount.
6. Where more than one Coverage Section provides cover for the same loss, damages, expense, damage, fines, costs or any other item of coverage, the **Company** will only make payment under one Coverage Section as agreed between the **Insured** and the **Company** (in which case the Limit of Liability and Deductible Amount for that Coverage Section shall apply). If the **Company** and the **Insured** cannot agree on the applicable Coverage Section, the **Company** shall submit any disagreement between them for determination by arbitration. The arbitration panel shall consist of one arbitrator selected by such

Insured, one arbitrator selected by the **Company** and a third independent arbitrator selected by the first two arbitrators. The costs of arbitration undertaken in accordance with this section shall be borne by the **Company**.

Claims Conditions

1. Allocation

- 1.1 This Policy shall cover the **Insured** only for covered loss. Where a **Claim** involves matters covered and matters that are not covered by any Coverage Section, then the **Company** and the **Insured** shall use their best endeavours to determine:
- a) with respect to **Defence Costs** only, a reasonable allocation of **Defence Costs**; and
 - b) with respect to covered loss other than **Defence Costs**, an allocation:
 - i. based upon the relative legal and financial exposures of an **Insured Person** or an **Organisation**; and
 - ii. in the case of a settlement of such **Claim**, based also on the relative benefits of such settlement to an **Insured Person** and an **Organisation**.
- 1.2 If the **Company** and the **Insured** cannot agree on an allocation of loss, the **Company** shall submit any disagreement between them regarding the allocation to loss for determination by arbitration. The arbitration panel shall consist of one arbitrator selected by such **Insured**, one arbitrator selected by the **Company** and a third independent arbitrator selected by the first two arbitrators. The costs of arbitration undertaken in accordance with this section shall be borne by the **Company**.

2. Co-operation

- 2.1 As a condition precedent, each **Insured** must, at the **Insured**'s own expense, provide the **Company** with all information, assistance and co-operation which the **Company** reasonably requires in the conduct of any investigation the **Company** makes, defence, settlement, avoidance or reduction of any actual or possible loss or claim.
- 2.2 Each **Insured** agrees that such **Insured** will do nothing that may prejudice the **Company**'s position or its potential or actual rights of recovery.
- 2.3 The **Insured** shall not without the prior written consent of the **Company** make any admission, offer, promise, or payment in connection with any **Claim** or claim.

3. Conduct and Defence

- 3.1 The **Company** shall have the right and duty to fully and effectively take conduct and control in the investigation, defence and settlement of any **Claim**, including but not limited to the right to appoint legal defence counsel on behalf of the **Insured**, investigate, conduct settlement negotiations, and enter into the settlement of any **Claim** that the **Company** deems appropriate.
- 3.2 The **Company**'s duty to defend any **Claim** shall cease upon exhaustion of the applicable Limit of Liability or if it is determined that coverage is not available under the applicable Coverage Section.
- 3.3 The **Company** will have no obligation to pay **Loss**, including **Defence Costs**, or to defend or continue to defend any **Claim** after the applicable Limit of Liability has been exhausted by the payment of **Loss** or if it is determined that coverage is not available under the applicable Coverage Section. If the Limit of Liability is exhausted by the payment of **Loss** prior to the expiration of this Policy, then this Policy premium will be deemed fully earned.

4. Continuous Cover

- 4.1 Notwithstanding the Prior Notice Exclusion and Pending and Prior Litigation Exclusion, the **Company** will provide cover in respect of any **Claim** or claim under this Policy made in the **Policy Period** where the **Insured**:
- a) first became aware, prior to the **Policy Period**, that a **Claim** or claim under this Policy might or could arise from **Circumstance** known to the **Insured**; and
 - b) had not notified the **Company** of such **Circumstance** prior to the **Policy Period**,
- provided that:
- c) the **Company** was the insurer of the **Insured** when the **Insured** first became aware of such **Circumstance**;
 - d) the **Company** has continued, without interruption, to be the **Insured**'s insurer up until this **Policy Period**;
 - e) the failure by the **Insured** to notify such **Circumstance** under such prior policy was not fraudulent;
 - f) the **Company** has discretion to apply either the terms and conditions of this Policy or the terms and conditions of the prior policy in effect when the **Circumstance** first arose; and
 - g) the **Insured**'s entitlement to indemnity will be reduced by the extent of any prejudice to the **Company** as a result of the **Insured**'s failure to notify such **Circumstance** under any such prior policy.

5. Deductible

- 5.1 The **Company** will only be liable for that part of a **Loss** and any other covered amount payable arising from any **Claim** or claim made under this Policy, which exceeds the Deductible set forth in the Coverage Section Schedule.
- 5.2 Such Deductible shall be borne by the **Insured** and is uninsured by the **Company**.
- 5.3 If a covered **Claim** or claim made under this Policy is subject to different Deductible Amounts, the applicable Deductible shall be applied separately to each part of that covered loss, but the sum of such Deductible shall not exceed the largest applicable Deductible.

6. Late Notice, Innocent Non-Disclosure and Material Non-Disclosure

- 6.1 The **Proposal** shall be construed as a separate proposal for coverage for each **Insured Person**. No statement, representation or information provided in the **Proposal** by an **Insured Person** or knowledge possessed by such **Insured Person** shall be imputed to any other **Insured Person** for the purpose of determining if coverage is available under a Coverage Section. However, the knowledge possessed by any **Insured Person** who is chairman, managing director, chief executive officer, chief operating officer, chief financial officer, or the holder of any equivalent position of the **Company** shall be imputed to the **Organisation** for the purpose of determining whether coverage is available under a Coverage Section.
- 6.2 In the event of a fraudulent misrepresentation or fraudulent non-disclosure by an **Insured Person**, then the **Company** shall have the right but not the obligation to avoid any loss on account of a **Claim** made against or other matters giving rise to a claim under this Policy made by that **Insured Person** based upon, arising from or on relation to that fraudulent misrepresentation or fraudulent non-disclosure.
- 6.3 In the event of a fraudulent misrepresentation or fraudulent non-disclosure by any chairman, managing director, chief executive officer, chief operating officer, chief financial officer, or the holder of any equivalent position of the **Organisation**, then the **Company** shall have the right but not the obligation to avoid any loss on account of a **Claim** made against or other

matters giving rise to a claim under this Policy made by that **Insured Person** based upon, arising from or in relation to that fraudulent misrepresentation or fraudulent non-disclosure.

7. Notification

- 7.1 Subject to any specific condition for a Coverage Section which may otherwise apply, as a condition precedent to their right to be indemnified, the **Insured** must give the **Company** written notice of every **Claim**, and of each **Circumstance**. This notice must be given as soon as practicable after the **Insured** becomes aware of the **Claim** or **Circumstance**. The **Company** will not accept a **Claim**, notice of which is first given more than fourteen (14) days after the end of:
- a) the **Policy Period**; or
 - b) if applicable, after the Extended Reporting Period.
- 7.2 Where the **Insured** fails to provide notice in accordance with the above condition, the **Company** shall not be entitled to refuse coverage for such **Claim** solely based on that failure, unless that failure results in material prejudice to the **Company** by reason of such late notice, in which circumstance the **Company's** liability shall be reduced to such sum as would have been payable in the absence of that prejudice.
- 7.3 If, during the **Policy Period**, the **Insured** becomes aware of a **Circumstance** and shall give written notice to the **Company** of that **Circumstance**, including anticipated allegations of the **Wrongful Act** and reasons for anticipating a **Claim**, with full particulars as to dates, persons, and entities involved, then any **Claim** that is subsequently made against an **Insured** alleging, arising out of, based upon, or attributable to such **Circumstance** will be treated as having been made at the time of such **Circumstance** was notified to the **Company**.
- 7.4 Any notification to the **Company** shall designate the Coverage Section under which the notice is being give and shall be treated as notice under only the Coverage Section so designated.

8. Non-Imputation

- 8.1 No statements or representations made by, information or knowledge possessed by an **Insured Person** or conduct of any **Insured Person** shall be imputed to any other **Insured Person** for the purposes of determining whether coverage is available under this **Policy** for any **Claim** made against such **Insured Person**.
- 8.2 However, the knowledge possessed by an **Insured Person** who is or was a chief executive officer, chief operating officer, chief financial officer, or the holder of any equivalent position in any jurisdiction of an **Organisation** shall be imputed to such **Organisation** for the purposes of determining whether coverage is available under this **Policy** for any **Claim** made against the **Organisation**.

9. Related Claims

All **Claims** or other matters giving rise to a claim under this Policy based upon, arising from, or in consequence of the same or related facts, circumstances, or **Wrongful Acts**, or the same or related series of facts, circumstances, or **Wrongful Acts**, shall be treated as a single Claim when the earliest of such **Claim** or claim was first made, or when the earliest of such **Claim** or claim is treated as having been made, regardless of whether such date is before or during the **Policy Period**.

10. Right to Contest

- 10.1 If the **Insured** disagrees with a decision by the **Company** to settle or admit a **Claim**, the **Company** shall appoint a senior counsel to advise whether the **Claim** should be contested and on the overall cost of contesting the **Claim**. In giving advice, the senior counsel must take into account the likely loss, defence costs, penalties, reparations or orders against the **Insured** and whether there is a reasonable prospect of successfully defending the **Claim**.

- 10.2 The senior counsel's fee will be a **Defence Cost** for the purposes of the applicable Coverage Section if the senior counsel agrees with the **Insured**. The **Insured** is liable for the senior counsel's fee if the senior counsel agrees with the **Company**.
- 10.3 If the senior counsel advises that the **Claim** should be settled or admitted, and the **Insured** elects to contest the **Claim**, the **Company's** liability shall not exceed the amount for which the **Claim** could have been so settled or admitted plus **Defence Costs** incurred to the date of that advice. The **Insured** expressly agrees that, in such circumstances, the **Company's** liability in respect of such **Claim** shall then be at an end.

11. Subrogation

- 11.1 In the event of any payment under this **Policy**, the **Company** shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery.
- 11.2 The **Insured** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the **Company** effectively to bring suit in the name of such **Insured**.
- 11.3 Recoveries for any payments made under a Coverage Section, whether effected by the **Company** or the **Insured**, shall be distributed, less the cost of recovery:
- a) first, to the **Insured** for the amount of the **Insured's** covered loss in excess of the amount paid under that Coverage Section;
 - b) second, to the **Company** for the amount of such amounts paid as covered loss;
 - c) third, to the **Insured** for the Deductible Amount applicable to such loss;
 - d) fourth, to the **Insured** for the amount of any loss not covered under the Coverage Section.
- 11.4 Recovery by the **Company** from reinsurance or indemnity shall not be deemed a recovery hereunder.

12. Fraudulent Claims

If any claim made under this Policy is fraudulent in any respect, or if any false declaration is made or used in support of any claim, or if any fraudulent means or devices are used by the **Insured** or its agents to obtain indemnity under this Policy in respect of any claim then there will be no sums payable and the Policy will automatically terminate from the time of the fraud.

General Definitions

1. **Accidental Loss** means:

- 1.1 **Loss of Life;**
- 1.2 the permanent loss of sight to the extent of legal blindness;
- 1.3 the permanent total loss of the capability of speech and/or hearing;
- 1.4 the permanent total loss of function of a foot, hand, or thumb and index finger;
- 1.5 the permanent total loss of an entire finger, toe, ear, nose or genital organ,

of an **Insured Person** when such loss:

- a) is sudden, unforeseen, unexpected and independent of any illness, disease, or other bodily malfunction of such **Insured Person**; and
- b) happens by chance and arises from a source external to such **Insured Person**.

2. **Acts** means any Act of the New Zealand Parliament and any Regulations or other subordinate legislation made under any of those Acts. A reference to any specific legislation or to any provision of any legislation (including regulations and orders) includes that legislation or provision as from time to time amended, re-enacted or substituted and any statutory instruments, regulations and orders issued under any such legislation or provision.
3. **Act of Cyber-Terrorism** means any act or the threat of an act against a **Covered Computer System** by an individual or group(s) of individuals, whether acting alone, on behalf of or in connection with any organisation(s) or government(s), to cause **Unauthorised Use or Access** of or to inflict a **Computer Malicious Act** on a **Covered Computer System** for the purpose of furthering social, ideological, religious, economic or political objectives, intimidating or coercing a government or the civilian population, or disrupting any segment of the economy.
4. **Aircraft** means any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.
5. **Bail Bond and Civil Expenses** means the reasonable premium (not including collateral) for a bond or other financial instrument to guarantee an **Insured Person's** contingent obligation for bail required by a court in respect of any **Claim** including the premium paid for appeal, attachment or similar bond
6. **Banking Premises** means the interior portion of a building occupied by, or the night depository chute or safe maintained by, any authorised deposit taking institution including a bank, building society, credit union or equivalent organisation in any other jurisdiction.
7. **Benefits** means perquisites, fringe benefits, deferred compensation or payments in connection with an employee benefit plan and any other payment to or for the benefit of an employee arising out of the employment relationship. **Benefits** shall not include salary, wages, commissions, bonuses, **Stock Benefits** or non-deferred cash incentive compensation.
8. **Business** means all activities and operations of the **Insured** stated in the Schedule including the ownership and occupation of premises for the purposes of the Business, and the provision or management of canteen, social, sports, welfare or child care services or activities for the **Insured's** employees and internal first aid, fire, security and ambulance services.
9. **Business Interruption Incident** means inability to access, disruption of, or disturbance to a **Covered Computer System** or the taking of, corruption of or destruction of an **Insured's Data** caused solely and directly by:
 - 9.1 a **Computer Malicious Act**;
 - 9.2 **Unauthorised Use or Access**;
 - 9.3 **Human Error**;
 - 9.4 a failure of **Network Security**;
 - 9.5 **Programming Error**;
 - 9.6 the reasonable and necessary shutdown of all or parts of a **Covered Computer System** in an attempt to prevent or mitigate the effects of any of 9.1 to 9.5 above; or
 - 9.7 a power failure, surge or diminution of an electrical system controlled by an **Insured**, which is a result of 9.1, 9.2 or 9.4 above.

10. **Business Interruption Loss** means an **Insured's**:
- 10.1 **Net Profit** before income taxes that would have been earned had the **Business Interruption Incident** not occurred, less the **Insured's Net Profit** actually earned before income taxes; and
 - 10.2 continuing normal operating and payroll expenses, but only to the extent that the same are disrupted or impeded by the **Business Interruption Incident** and would have been paid or accrued had the **Business Interruption Incident** not occurred.
- Business Interruption Loss** includes amounts covered under 10.1 and 10.2 above that accrued during the **Waiting Period**.
11. **Circumstance** means an incident, occurrence, fact, matter, act, error, or omission which is likely to give rise to a **Claim** against the **Insured**.
12. **Claim** means, for the purposes of determining coverage under:
- 12.1 the Directors & Officers Liability Coverage Section, a **D&O Claim, Formal Investigation, or Organisation Claim**;
 - 12.2 the Employment Practices Liability Coverage Section, an **Employment Claim, or Third Party Claim**;
 - 12.3 the Miscellaneous Professional Indemnity Liability Coverage Section, a **Professional Services Claim**;
 - 12.4 the Cyber Coverage Section, a **Privacy and Network Security Claim, a Media Claim, or a Wrongful Act**;
 - 12.5 the Statutory Liability Coverage Section, a **Statutory Liability Claim**; and
 - 12.6 the Employer's Liability Coverage Section, a **Personal Liability Claim**.
13. **Client** means a customer of an **Organisation** to whom such **Organisation** provides goods or services under a written contract or for a fee or other monetary consideration.
14. **Company** means Chubb Insurance New Zealand Limited.
15. **Compensation** means monies paid or agreed to be paid by judgment or settlement for **Personal Injury or Property Damage**, provided that this compensation is only payable in respect of an **Occurrence** to which the Coverage Section applies.
16. **Computer Fraud** means the unauthorised:
- 16.1 transfer, payment, or delivery of **Money or Securities**; or
 - 16.2 transfer or delivery of **Property**.

For the avoidance of doubt, **Computer Fraud** does not include any form of **Social Engineering Fraud**.

17. **Computer Malicious Act** means any malicious act committed against a **Covered Computer System**, or malicious access to or hacking of a **Covered Computer System**, for the purpose of creating, deleting, taking, collecting, altering or destroying the **Insured's Data** or services, without involving any physical damage to a **Covered Computer System**, telecommunications equipment or infrastructure.

Computer Malicious Act includes a distributed denial of service attack or the introduction of malicious code, ransomware, cryptoware, virus, trojans, worms and logic or time bombs or any

malware, programs, files or instructions of a malicious nature which may disrupt, harm, impede access to, or in any other way corrupt the operation of a **Covered Computer System, Data**, or software within.

18. **Computer System** means, for the purposes of determining coverage under:

- 18.1 the Crime Coverage Section, computer hardware, software, firmware, and the data stored thereon, as well as associated input and output devices, data storage devices, networking equipment and storage area network or other electronic data backup facilities which are leased, owned or operated by an **Organisation** or operated for the benefit of an **Organisation** by another entity under written agreement with such **Organisation**.
- 18.2 the Cyber Coverage Section, computer hardware, software, firmware, and the data stored thereon, as well as associated mobile devices, input and output devices, data storage devices, networking equipment and storage area network or other electronic data backup facilities, including SCADA and ICS systems.

19. **Computer Violation** means the fraudulent:

- 19.1 unauthorised access into a **Computer System**;
- 19.2 entry of **Data** into, or deleting of **Data** from, a **Computer System**;
- 19.3 direct change to **Data** elements or program logic of a **Computer System**, which is kept in a machine readable format; or
- 19.4 introduction of self-executing instructions or programming language in the form of a virus or other malicious software directly into a **Computer System**,

directed against an **Organisation**.

20. **Computer Violation Expenses** means the reasonable expenses resulting from any direct loss covered under Employee Theft Coverage, Computer Fraud Coverage, or Client Coverage Insuring Clauses which are excess of the Deductible Amount applicable to such direct loss (other than regular or overtime wages, salaries or fees of the company directors, officers or employees of an **Organisation** or office overheads, travel costs unrelated to a loss covered under this Policy or other administration costs) incurred by an **Organisation**, with the **Company's** prior written consent, to reproduce or duplicate damaged or destroyed **Data** or computer programs. If such **Data** or computer programs cannot be duplicated from other **Data** or computer programs, then **Computer Violation Expenses** shall also include reasonable costs incurred for the time taken for computer programmers, technical experts or consultants to restore such **Data** or computer programs to substantially the same level or operational capability existing immediately before the covered loss. **Computer Violation Expenses** shall not include expenses incurred by any **Client**.

21. **Consumer Redress Fund** means a sum of money that the Insured is legally obligated to deposit in a fund as equitable relief for the payment of consumer **Privacy and Network Security Claims** or **Media Claims** due to an adverse judgment or settlement of a **Regulatory Proceeding**.

Consumer Redress Fund shall not include any sums paid which constitute taxes, fines, penalties, injunctions or sanctions.

22. **Control Group** means the Chief Finance Officer, Chief Executive Officer, General Counsel, Risk Manager, Chief Information Officer, Chief Information Security Officer, Chief Technology Officer, Data Protection Officer, **Insurance Representative**, or the organisational equivalent of any of those positions of the **Principal Organisation**.

23. **Costs and Expenses** means:
- 23.1 with respect to the Directors and Officers Liability Coverage Section, **Defence Costs, Prosecution and Reputation Protection Costs** or **Crisis Expenses**;
 - 23.2 with respect to Employment Practices Coverage Section, **Defence Costs**;
 - 23.3 with respect to Miscellaneous Professional Indemnity Coverage Section, **Defence Costs** and **Public Relations Expenses**;
 - 23.4 with respect to the Cyber Coverage Section, **Defence Costs** and **Expenses**;
 - 23.5 with respect to Statutory Liability Coverage Section, **Defence Costs** but only where the claim for indemnity under the Statutory Liability Coverage Section may include a **Sentence for Reparation**;
 - 23.6 with respect to the Employers Liability Coverage Section, **Defence Costs**.
- Costs and Expenses** does not include:
- a) any damages awarded, judgments entered or settlements reached;
 - b) plaintiff's costs and expenses;
 - c) fines or penalties;
 - d) **Sentences of Reparation**.
24. **Covered Computer System** means a **Computer System**:
- 24.1 leased, owned, or operated by the **Insured**; or
 - 24.2 operated for the **Insured** benefit by a third party service provider under written contract with the **Insured**.
25. **Counterfeit Currency Fraud** means the acceptance in good faith and in the ordinary course of business by an **Organisation** of:
- 25.1 any postal or money order issued, or purporting to have been issued, by any post office, which is not paid by the post office upon presentation; or
 - 25.2 counterfeit currency.
26. **Credit Card Fraud** means the **Forgery** or alteration of, on or in, any written instrument required in connection with any credit card issued to an **Organisation** or at the request of an **Organisation**, to any **Insured Person** or to any partner of an **Organisation** that is a partnership.
27. **Crisis Expenses** means reasonable costs, charges, fees and expenses (other than regular or overtime wages, salaries or fees of **Insured Persons** or office overheads, travel costs unrelated to a **Claim** or other administration costs) in retaining the services of any public relations firm, crisis management firm or executive search firm to advise the **Organisation** with respect to managing the public communication of and limiting the disruption to the **Organisation's** business due to:
- 27.1 the announcement or commencement of any **Claim**; and/or
 - 27.2 the permanent disability, death, discharge or resignation (other than in accordance with a planned retirement) of a chairman, chief executive officer, chief financial officer, in-house general counsel, or the holder of any equivalent position in any jurisdiction, and any natural person for whom the **Organisation** maintains key person life insurance,

where such announcement, commencement or event was first made or occurred in the **Policy Period**.

28. **Cyber-attack** means a set of unauthorised **Instructions** that are designed to alter, damage or destroy information within a **Computer System** without the authorisation of an **Organisation**, including those **Instructions** that are self-replicating or self-propagating and are designed to contaminate computer programs or computer data, consume computer resources or in some fashion usurp the normal operation of a **Computer System**.
29. **Cyber Extortion Damages** means **Money**, paid by an **Insured** where legally allowed and insurable, to terminate or end a **Cyber Extortion Event**.
30. **Cyber Extortion Event** means any credible threat or connected series of credible threats made against an **Insured** expressing intent to perform or cause, or the actual performance of or causing of, the following:
- 30.1 the release, divulgence, dissemination, destruction or use of confidential, sensitive or proprietary information, or personally identifiable information, stored on a **Covered Computer System**;
 - 30.2 a failure of **Network Security** on a **Covered Computer System**;
 - 30.3 the introduction or infliction of a **Computer Malicious Act** on a **Covered Computer System**;
 - 30.4 the alteration, corruption, destruction, misappropriation, manipulation of, or damage to, **Data**, instructions or any electronic information transmitted or stored on a **Covered Computer System**; or
 - 30.5 the restriction or inhibition of access to a **Covered Computer System**,
- for the purpose of demanding **Money** from an **Insured**, or that an **Insured** otherwise meet a demand, in exchange for the mitigation or removal of such threat or connected series of threats, or the reversal or termination of the actual performance of such threats or series of connected threats.
- Cyber Extortion Event** shall not include any threats or connected series of threats made against an **Insured** expressing intent to perform or cause any of the above if made, approved or directed by a member of the **Control Group**.
31. **Cyber Extortion Expenses** means such reasonable and necessary expenses to hire a third party consultant for the sole purpose of handling the negotiation and payment of **Cyber Extortion Damages** to terminate or end a **Cyber Extortion Event**.
32. **Cyber Incident** means any actual or reasonably suspected:
- 32.1 **Computer Malicious Act, Human Error, Programming Error**, failure of **Network Security**, or **Unauthorised Use or Access** or any other threat or action against a **Covered Computer System**, including those threats or actions done in the commission of a **Cyber Extortion Event**;
 - 32.2 **Privacy and Network Security Wrongful Act**; or
 - 32.3 power failure, surge or diminution of an electrical system controlled by an **Insured**.
33. **D&O Claim** means:
- 33.1 a written demand for monetary damages, non-pecuniary relief or any request to waive or suspend a statute of limitations;

- 33.2 a civil proceeding;
- 33.3 an arbitration, mediation, conciliation, or alternative dispute resolution proceeding;
- 33.4 a criminal proceeding;
- 33.5 a formal administrative or formal regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document,

against any **Insured Person**, individually or otherwise, for a **Wrongful Act**, including any appeal there from.

D&O Claim also means an official request for **Extradition**.

34. **Damages:**

- 34.1 means compensatory damages, including the claimant's costs and expenses, any award of prejudgment or post-judgment interest and settlements which an **Insured** become legally obligated to pay as a result of a **Wrongful Act** to which this **Policy** applies.
- 34.2 includes punitive damages and exemplary damages, only to the extent such damages are insurable under the laws of the applicable jurisdiction that most favours coverage for such damages.
- 34.3 shall not include:
 - a) any amount for which an **Insured** is not legally obligated to pay;
 - b) matters uninsurable under the laws pursuant to which this **Policy** is construed;
 - c) the cost to comply with any injunctive or other non-monetary or declaratory relief, including specific performance, or any agreement to provide such relief;
 - d) an **Insured's** loss of fees or profits, return of fees, commissions;
 - e) royalties, or re-performance of services by an **Insured** or under an **Insured's** supervision;
 - f) disgorgement of any profit, remuneration or financial advantage to which an **Insured** is not legally entitled; and
 - g) any amounts other than those which compensate solely for a loss caused by a **Wrongful Act**, unless specifically provided for in this **Policy**.

35. **Data** means, for the purposes of determining coverage under:

- 35.1 the Crime Coverage Section, representation of information, knowledge, facts, concepts or instructions which are processed and stored in a **Computer System**;
- 35.2 the Cyber Coverage Section, any information, facts or programs stored, created, used, or transmitted on any hardware or software. **Data** includes any information or programs that allow a computer and any of its accessories to function, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media that are used with electronically controlled equipment or other electronic backup facilities. **Data** does not include any actual hardware, **Money**, **Securities** or tangible property.

36. **Data and System Recovery Costs:**

- 36.1 means any reasonable and necessary costs:
 - a) to recover or reconstruct any **Data** that has been damaged, compromised or lost. These costs to recover or reconstruct **Data** are only available up and until a reasoned determination has been made by the third party forensics firm retained to recover the lost **Data**, that the **Data** cannot be recovered or reconstructed; and
 - b) to repair or restore software or applications in a **Covered Computer System** but only if necessary to restore a **Covered Computer System** to the same or equivalent

- condition or functionality as existed before the **Business Interruption Incident**;
and
- c) to identify and remediate the cause of the **Business Interruption Incident**; and
- d) with the **Company's** prior consent, which will not be unreasonably withheld or delayed:
 - i. to update, upgrade, replace, or improve a **Covered Computer System**, but only where the costs to update, upgrade, replace or improve the damaged or compromised software or applications on a **Covered Computer System** to a newer or improved standard, condition, functionality, or version are reasonably expected by an **Insured** to be less than or equal to the cost(s) to repair, fix or restore the same; or
 - ii. any other reasonable and necessary costs to get an **Insured's** business back to full operating condition, but only to the extent that the **Business Interruption Incident** solely created or caused the issue or problem that prevented the **Insured's** business from being fully operational.

36.2 include, but are not limited to:

- a) the use of external equipment whether by hiring a third party or leasing the equipment;
- b) the implementation of an alternate work method in accordance with a business continuity plan;
- c) costs to subcontract with an external service provider; and
- d) increased costs of labour.

36.3 do not include:

- a) costs or expenses incurred to identify or remediate software vulnerabilities;
- b) costs to replace any hardware or physical property;
- c) costs incurred to research and develop **Data**, including **Trade Secrets**;
- d) the economic or market value of **Data**, including **Trade Secrets**;
- e) any other consequential loss or damage;
- f) **Incident Response Expenses**; or
- g) costs to update, upgrade, replace, maintain, or improve any **Data** or **Computer System** beyond what is provided in 36.1d)i above of this definition.

37. **Defence Costs** means the reasonable costs, charges, fees and expenses incurred with the **Company's** prior written consent to investigate, defend, settle, or appeal any **Claim**, and shall include:

37.1 **Bail Bond and Civil Expenses**;

37.2 reasonable costs, charges or fees resulting from an **Insured Person** lawfully opposing, challenging, resisting or defending against any **Extradition** of such **Insured Person**, or appealing any order or other grant of **Extradition** of such **Insured Person**.

38. **Director** means any natural person who was, now is, or shall be a director of the **Organisation**, including any natural person acting in the capacity of, a functionally equivalent position to, or comparable position to a director of the **Organisation**.

39. **Discover, Discovers, Discovery, or Discovered** means knowledge acquired by a **Director, Officer or Insurance Representative** of facts which would cause a reasonable person to believe that a covered loss has been sustained or an event has occurred that may subsequently result in covered loss, even though the exact amount or details of such loss are unknown, provided that it shall not include knowledge acquired by an **Director, Officer or Insurance Representative** whether acting alone or in collusion with an **Employee** or any other person, who is a participant in the fraud or dishonesty.

40. **Employee**:

- 40.1 means any natural person who was, now is, or shall be a full-time, part-time, seasonal or temporary employee of or volunteer at the **Organisation**;
- 40.2 also means, for the purposes of cover under the Employment Practices Liability Coverage Section and the Cyber Coverage Section, any natural person who was, now is, or shall be engaged as an independent contractor pursuant to an express contract with an **Organisation**; and
- 40.3 does not otherwise include any agent, broker, factor, commission, merchant, consignee, contractor, subcontractor, or similar representative.

41. **Employee Entitlements** means employee benefit arrangements of any kind (whether during or post-employment) including:

- 41.1 provision for unemployment, redundancy, retirement, sickness, disability, maternity leave, parental leave, adoption leave, annual leave, long service leave, compassionate leave or personal leave;
- 41.2 entitlements under any statute or Industrial Instrument including the calculation, timing or manner of payment of minimum wages, prevailing wage rates, overtime pay, time in lieu, loadings, allowances and penalties alleged to be due and owing;
- 41.3 accident, life, medical, disability or other welfare plans, including insurance of any kind;
- 41.4 superannuation, retirement or pension contributions, benefits and entitlements; or
- 41.5 **Stock Benefits**, profit sharing or deferred compensation plans.

42. **Employment Claim** means

- 42.1 a written demand for monetary damages or non-pecuniary relief including but not limited to a written demand for reinstatement, re-employment, re-engagement or injunctive relief and any request to waive or suspend a statute of limitations;
- 42.2 a civil proceeding;
- 42.3 an arbitration proceeding, mediation, conciliation or alternative dispute resolution proceeding;
- 42.4 a criminal proceeding;
- 42.5 an administrative, regulatory or tribunal proceeding commenced by the issuance of a formal investigative order or similar document including any such proceeding commenced by the Fair Work Ombudsman or any similar regulatory agency located anywhere in the world with jurisdiction over the Organisation's employment practices,

which is brought or maintained by or on behalf of any past, present or prospective Insured Person, against an Insured for a Wrongful Act including any appeal therefrom.

Employment Claim also means an official request for **Extradition**.

Employment Claim shall not include any labour or grievance arbitration, mediation, conciliation, alternative dispute resolution proceeding or other proceeding pursuant to a collective bargaining agreement.

43. **Employment Matter** means a **D&O Claim** for any actual or alleged wrongful or unfair, employment-related: discipline, dismissal, discharge or termination of employment; denial of natural justice; breach of any oral, written or implied employment contract; misrepresentation; discrimination; harassment; sexual harassment; failure to employ or promote; deprivation of a career

opportunity; failure to grant tenure; demotion; evaluation; invasion of privacy; defamation; misleading or deceptive conduct, bullying or infliction of emotional distress.

44. **Expenses** means, for the purposes of determining coverage under the:

44.1 Kidnap, Ransom and Extortion Coverage Section:

- a) solely in connection with a **Kidnapping, Extortion Threat, Political Threat, Hijacking or Wrongful Detention**, only the reasonable fees and expenses for or cost of:
 - i. an independent negotiator or consultant;
 - ii. an independent public relations consultant;
 - iii. travel and accommodation of an **Insured Person**;
 - iv. independent legal advice (other than **Legal Liability Costs**);
 - v. independent security guard services for up to ninety (90) days;
 - vi. advertising, communications and recording equipment;
 - vii. an independent forensic analyst;
 - viii. assessment of such **Extortion Threat** or **Political Threat** by an independent security consultant;
 - ix. interest for a loan taken by an **Organisation** for property or other consideration surrendered as payment under the Kidnapping and Extortion Coverage Insuring Clause;
 - x. a reward paid by an **Organisation** to a natural person who provides information not otherwise available leading to the arrest and conviction of the person responsible for such **Kidnapping, Extortion Threat, Wrongful Detention or Hijacking**;
 - xi. the **Salary** which an **Organisation** continues to pay an **Insured Person** following the **Kidnapping, Wrongful Detention or Hijacking** of such **Insured Person**. Such coverage shall apply to the **Salary** of such **Insured Person** in effect at the time of such **Kidnapping, Wrongful Detention or Hijacking** and will end thirty (30) days after such **Insured Person** is released or suffers **Loss of Life**, or sixty (60) months after such **Kidnapping, Wrongful Detention or Hijacking** began, whichever is more recent;
 - xii. the **Salary** which an **Organisation** pays a newly hired natural person to conduct the duties of an **Insured Person** following such **Kidnapping, Wrongful Detention, or Hijacking** of such **Insured Person**. Such coverage shall apply up to the **Salary** of such **Insured Person** in effect at the time of such **Kidnapping, Wrongful Detention, or Hijacking** and will end thirty (30) days after such **Insured Person** is released or suffers **Loss of Life**, or sixty (60) months after such **Kidnapping, Wrongful Detention or Hijacking** began, whichever is more recent;
 - xiii. pecuniary loss incurred by an **Insured Person** suffered as a result of such **Insured Person's** inability to attend to personal financial matters, including but not limited to pecuniary loss resulting directly from the failure to renew insurance contracts, the failure to exercise stock options, or the failure to response to margin or loan calls by financial institutions loss;
 - xiv. reasonable medical, cosmetic, psychiatric and dental expenses incurred following an **Insured Person's** release;
 - xv. reasonable expenses of rest and rehabilitation, including meals and recreation, for up to thirty (30) days, when such expenses are incurred within twelve (12) months following an **Insured Person's** release;
- b) solely in connection with an **Extortion Threat** to contaminate **Merchandise, Recall Expenses**;
- c) other reasonable expenses incurred by an **Organisation**, subject to the **Company's** prior written approval.

44.2 Cyber Coverage Section, **Privacy and Network Security Claims Expenses, Media Claims Expenses, Cyber Extortion Expenses, Business Interruption Loss, Cyber Extortion Damages and Cyber Extortion Expenses, Data and System Recovery Costs, and Incident Response Expenses.**

45. **Extortion Threat** means a threat or threats made solely and directly against an **Organisation** to:

45.1 commit a **Kidnapping** of, do bodily harm to, or wrongfully abduct or detain any **Insured Person**;

45.2 damage, destroy or contaminate, thereby rendering unfit for sale, any **Property**;

45.3 disseminate, divulge or utilise any proprietary information, provided that such information is protected by physical or electronic control or other reasonable efforts to maintain non-disclosure of such information; or

45.4 disseminate or make public negative information regarding an **Organisation's** merchandise that has been the subject of a prior threat under 45.2 above,

by a person or group, whether acting alone or in collusion with others, demanding payment or a series of payments, in exchange for the mitigation or removal of such threats.

All such threats:

- a) related by a common committed, attempted or threatened act; or
- b) made contemporaneously against the same **Organisation** or involving the same **Insured Person, Property**, proprietary information or merchandise,

will be deemed to constitute a single **Extortion Threat**.

46. **Extradition** means any formal process requesting or seeking to extradite an **Insured Person** from one country to another country for trial or otherwise to answer a criminal accusation.

47. **Financial Impairment** means the insolvency, liquidation, bankruptcy, winding-up, receivership or administration of the **Organisation** or its actual or alleged inability to meet any or all of its debts as and when they fall due.

48. **Financial Instruments** means a cheque, draft or similar written promise, order or direction to pay a sum certain in money that is drawn by or drawn upon an **Organisation** or made or drawn by any person acting as an **Organisation's** agent or that is purported to have been so made or drawn

49. **Fines and Penalties** means fines and penalties which are civil, strict, or administrative and which are insurable in the jurisdiction to which the **Claim** giving rise to them is determined. **Fines and Penalties** does not include any **Tax Liability** or **Superannuation Liability**.

50. **Forgery** means the signing of another natural person's name with the intent to deceive, but does not mean a signature that includes one's own name, in whole, with or without authority, in any capacity for any purpose. Mechanically or electronically produced or reproduced signatures shall be treated the same as hand-written signatures.

For the avoidance of doubt, **Forgery** does not include any form of **Social Engineering Fraud**.

51. **Formal Investigation** means a formal investigation, examination or inquiry of an **Organisation**, an **Outside Entity** or **Insured Person** by an official person or body having legal authority to conduct such investigation, examination or inquiry of the business or activities of an **Organisation** or an **Outside Entity** or the conduct of an **Insured Person**, individually or otherwise in their capacity as such.

Provided solely for the purposes of determining coverage under the Miscellaneous Professional Indemnity Coverage Section, **Formal Investigation:**

- 51.1 is limited to such investigation, examination or inquiry of an **Insured's** performance of or failure to perform **Professional Services**; and
- 51.2 does not include any routine supervision, inspection, compliance or similar reviews of an **Insured**, or any investigation of industry-wide violations rather than a specific investigation of an **Insured**.

52. **Funds Transfer Fraud** means fraudulent electronic, telegraphic, cable, teletype, facsimile, telephonic or written instructions (other than **Forgery**) purportedly issued by an **Organisation** and issued to a financial institution directing such financial institution to transfer, pay or deliver **Money** or **Securities** from any account maintained by such **Organisation** at such financial institution, without such **Organisation's** knowledge or consent.

For the avoidance of doubt, **Funds Transfer Fraud** does not include any form of **Social Engineering Fraud**.

53. **Hijacking** means the unlawful detention of an **Insured Person** (other than a **Kidnapping**) by violence or threat of violence by a person or group, where such unlawful detention:

- 53.1 occurs while traveling on or in an aircraft, watercraft or motor vehicle for a period in excess of four (4) hours; or
- 53.2 occurs while traveling on or in an aircraft or watercraft and results in such Insured Person's **Loss of Life**.

54. **Human Error** means an operating error or omission, including the choice of program used, an error in setting parameters or any inappropriate single intervention by an employee or a third party providing services to an **Insured**, which results in a loss, alteration or destruction of an **Insured's Data**.

55. **In Transit** means **Money, Securities or Property** being conveyed outside the **Premises**, from one person or place to another, by an **Insured** while in the custody of an **Insured Person** or a person duly authorised by an **Organisation** to have custody of such **Money, Securities or Property**. Such conveyance begins immediately upon receipt of **Money, Securities or Property** by the persons described above from such **Organisation** and ceases immediately upon delivery to the designated recipient or its agent

56. **Incident Response Expense:**

- 56.1 means those reasonable and necessary expenses:
 - a) to retain incident response management services for the purpose of coordinating response to a **Cyber Incident** or **Business Interruption Incident**;
 - b) to retain the services of a third party computer forensics firm to determine the cause and scope of a **Cyber Incident** or **Business Interruption Incident**;
 - c) to comply with consumer notification provisions of **Privacy Regulations** in the applicable jurisdiction that most favours coverage for such expenses, but only to the extent that such compliance is required because of a **Cyber Incident**, including but not limited to:
 - i. retaining the services of a notification or call centre support service; and
 - ii. retaining the services of a law firm to determine the applicability of and actions necessary to comply with **Privacy Regulations**;
 - d) to retain a legal or regulatory advisor to handle and respond to any inquiries by any government agency, or functionally equivalent regulatory authority, alleging the violation of **Privacy Regulations**, including communicating with such government agency or functionally equivalent regulatory authority to determine the applicability

- and actions necessary to comply with **Privacy Regulations**, but not the costs to actually appear or defend an Insured at a **Regulatory Proceeding**;
- e) to retain the services of a public relations firm, law firm or crisis management firm for advertising or related communications solely for the purpose of protecting or restoring an **Insured's** reputation as a result of a **Cyber Incident** or **Business Interruption Incident**;
- f) to retain the services of a law firm solely to provide a preliminary legal opinion and advice as to an **Insured's** rights and options with regards to the legal issues that arise as a result of the **Cyber Incident** or **Business Interruption Incident**, including determining an **Insured's** potential indemnification rights under vendor contracts and preparing for and mitigating potential third party litigation;
- g) to retain the services of a licensed investigator or credit specialist to provide up to one year of fraud consultation to the individuals whose **Personal Data** has been wrongfully disclosed or otherwise compromised, and to retain a third party identity restoration service for those individuals who have been confirmed by such investigator or specialist as victims of identity theft resulting solely and directly from the **Cyber Incident**;
- h) for credit monitoring, identity theft monitoring, social media monitoring, credit freezing, fraud alert service or other fraud prevention software for those individuals whose **Personal Data** was wrongfully disclosed or otherwise compromised directly as a result of the **Cyber Incident**; and
- i) with the **Company's** prior consent:
 - i. to voluntarily notify individuals whose **Personal Data** has been wrongfully disclosed or otherwise compromised, including retaining a notification service or call centre support service; and
- j) any other reasonable and necessary expenses.

56.2 shall not include:

- a) costs or expenses incurred to update or otherwise improve privacy or network security controls, policies or procedures to a level beyond that which existed prior to the **Cyber Incident** or **Business Interruption Incident** or to be compliant with **Privacy Regulations**, except to the extent **Betterment Costs** are applicable;
- b) taxes, fines, penalties, injunctions, or sanctions;
- c) **Regulatory Fines**;
- d) **Data and System Recovery Costs**;
- e) **Business Interruption Loss**;
- f) Monies or cryptocurrencies paid by an **Insured** to terminate or end a **Cyber Extortion Event**;
- g) **Cyber Extortion Expenses**;
- h) an **Insured's** wages, salaries, internal operating costs or expenses, or fees; or
- i) costs to respond to, commence or defend third party litigation related to the **Cyber Incident** or **Business Interruption Incident**.

57. **Industrial Instrument** means any award, agreement, arrangement or other instrument which is certified or registered by an industrial tribunal in New Zealand or similar provisions of any body anywhere in the world.

58. **Insurance Representative** means a director, officer, or employee designated to represent an **Organisation** for the purpose of effecting and maintaining insurance.

59. **Insured** means any **Insured Person** and **Organisation**.

60. **Insured Person**:

60.1 means any natural person who was, now is, or shall be a **Director, Officer, or Employee**.

60.2 also means, for the purposes of determining coverage under:

- a) the Directors and Officers Liability Coverage Section, Employment Practices Liability Coverage Section, Miscellaneous Professional Indemnity Coverage Section, and the Cyber Coverage Section insofar as any Privacy and Network Media Liability:
 - i. any domestic partner of a **Director, Officer, or Employee**, but only where the **Claim** is also brought against that person;
 - ii. any estate, heir, legal representatives or assign of a **Director, Officer, or Employee** who is deceased, under a legal disability by reason of mental incapacity, or is insolvent or bankrupt.
- b) the Directors and Officers Liability Coverage Section, in addition to 60.2a) above:
 - i. any person who was, now is, or shall be a trustee of a superannuation fund, pension fund, or other employee benefits programme established by an **Organisation** for the benefit of any **Employee**;
 - ii. any member of a committee established by or approved by the **Organisation's** board of directors, whether under statute or otherwise, provided that the **Organisation** grants indemnification to that member;
 - iii. any domestic partner of a person in 60.2b)i and 60.2b)ii above, but only where the **Claim** is also brought against that person.

60.3 does not include any liquidator, receiver, receiver and manager, administrator, controller, or holder of similar office or position in any jurisdiction whether appointed under statute or the provisions of any contract or other instrument.

61. **Internal Inquiry** means:

- a) an internal inquiry, conducted by the **Organisation**, to determine whether a **Self-Report** should be made on the basis that the **Organisation** reasonably considers that a material breach of the **Organisation's** or **Insured Person's** legal or regulatory duty may have occurred; or
- b) an internal inquiry, conducted by the **Organisation**, requested by an official body following a **Self-Report**.

Internal Inquiry shall not include any routine or regularly scheduled internal supervision, inspection, compliance, review, examination, production or audit.

62. **Investigative Costs** means the reasonable expenses, (other than regular or overtime wages, **Salary** or fees of the company directors, officers or employees of an **Organisation** or office overheads, travel costs unrelated to a loss or other administration costs) incurred by an **Organisation**, with the **Company's** prior written consent, to establish the existence and amount of any direct loss covered by those Insuring Clauses of the Crime Coverage Section other than the Expense Coverage and Social Engineering Fraud Coverage Insuring Clauses, which are excess of the Deductible Amount applicable to such direct loss. **Investigative Costs** shall not include expenses incurred by any **Client**.

63. **Kidnapping** means an actual or alleged wrongful abduction and holding under duress or by fraudulent means of an **Insured Person** by a person or a group, whether acting alone or in collusion with others, demanding payment or a series of payments by an **Organisation**, in exchange for the release of such **Insured Person**.

64. **Legal Liability Costs** means the reasonable defence costs incurred by an **Organisation** and damages which an **Organisation** becomes legally obligated to pay as a result of a judgment or settlement in any suit brought by an **Insured Person** (or the estate, heirs or legal representatives of such **Insured Person**) against such **Organisation** alleging negligence or incompetence:

- 64.1 in the hostage retrieval operations or negotiations in a covered **Kidnapping** or **Extortion Threat** (as described in sub-paragraph 45.1 of the definition of **Extortion Threat**) or in a **Hijacking** or **Wrongful Detention** of such **Insured Person**; or
- 64.2 in the prevention of a covered **Kidnapping** or **Extortion Threat** (as described in sub-paragraph 45.1 of the definition of **Extortion Threat**) or in a **Hijacking** or **Wrongful Detention** of such **Insured Person**.

65. **Loss:**

65.1 means the amount which an **Insured** becomes legally obligated to pay on account of any **Claim** including, but not limited to:

- a) **Defence Costs;**
- b) awards of damages or orders made by any court or tribunal to pay compensation including any statutory compensation orders;
- c) judgments;
- d) sums payable due to settlements to which the **Company** has consented;
- e) awards of claimant's costs;
- f) pre-judgment and post-judgment interest;
- g) punitive, exemplary, multiplied or aggravated damages unless the **Company** is legally prohibited from paying such damages, fines or penalties in the jurisdiction in which the Claim is determined.

65.2 does not include:

- a) any amount for which an **Insured Person** is absolved from payment by reason of any covenant or agreement, other than indemnification of an Insured Person by an **Organisation**, or order or determination of a tribunal or court;
- b) fine or penalties imposed by law;
- c) taxes, other than Goods and Services Tax;
- d) liquidated damages;
- e) any costs incurred by an **Organisation** to comply with any order for injunctive relief or other non-pecuniary relief, or to comply with an agreement to provide such relief;
- f) any amount which constitutes reduction, set off or return of fees or expenses, in whole or in part, paid to or charged by an **Insured** for **Professional Services**
- g) the cost of correcting, completing or re-performing any **Professional Services**
- h) any amount not insurable under the applicable law.

65.3 also includes, for the purposes of determining coverage under the Directors and Officers Liability Coverage Section:

- a) any amount in a settlement or judgment attributable to alleged violations of section 82, 99, or 427 of the Financial Markets Conduct Act, as amended, unless the **Company** is legally prohibited as a result of a court order from paying such amount in the jurisdiction in which the **Claim** is determined;

Loss shall, however, for the purposes of determining coverage under the Cyber Coverage Section, instead mean any **Damages** or **Expenses**.

66. **Loss of Life** means:

66.1 death, including clinical death, determined by a medical examiner or similar local governing medical authority; or

66.2 the absence of communication from an **Insured Person** or those responsible for the **Kidnapping, Hijacking** or **Wrongful Detention** of such **Insured Person** for a period of two (2) years following the later of:

- a) such **Kidnapping, Hijacking** or **Wrongful Detention**;
- b) the last communication from such **Insured Person**; or
- c) the last communication from those responsible for such **Kidnapping, Hijacking** or **Wrongful Detention**.

67. **Media Claim** means:

67.1 a demand against an **Insured** for monetary or non-monetary damages;

- 67.2 a civil proceeding against an **Insured** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading; or
- 67.3 an arbitration proceeding against an **Insured** seeking monetary damages or non-monetary or injunctive relief.
68. **Media Claims Expenses** means:
- 68.1 reasonable and necessary legal fees, expert witness fees and other fees and costs incurred by the **Company**, or by an **Insured** with the **Company's** prior consent, such consent not to be unreasonably withheld or delayed, in the investigation and defence of a covered **Media Claim**;
- 68.2 reasonable and necessary premiums for any appeal bond, attachment bond or similar bond, provided that the **Company** shall have no obligation to apply for or furnish such bond; and
- 68.3 subject to the **Company's** prior approval, reasonable and necessary fees incurred for public relations and crisis communications services.
69. **Media Content** means electronic media distributed by or on behalf of an **Insured** on the Internet, including on social media websites.
70. **Media Wrongful Act** means any actual or alleged:
- 70.1 disparagement or harm to the reputation or character of any person or organisation, defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, mental anguish and injurious falsehood;
- 70.2 eavesdropping, false arrest or malicious prosecution;
- 70.3 plagiarism, piracy or misappropriation of ideas in connection with any **Media Content**;
- 70.4 infringement of copyright, domain name, trade dress, title or slogan, or the dilution or infringement of trademark, service mark, service name or trade name; but not actual or alleged infringement of any patent or **Trade Secret**;
- 70.5 negligence with respect to the **Insured's** creation or dissemination of **Media Content**, committed by the **Insured** solely in the publication, distribution, or broadcast of **Media Content**.
- Media Wrongful Act** shall not include any kind of discrimination or discriminatory conduct, including any alleged **Media Claims** of unequal or complete lack of access to your website and/or **Media Content**.
71. **Money** or **Monies**:
- 71.1 for the purposes of determining coverage under the Crime Coverage Section, means currency, coins, bank notes, bullion, cheques, travellers cheques, registered cheques, postal orders, money orders held for sale to the public or funds; and
- 71.2 for the purposes of determining coverage under the Cyber Coverage Section, means currency, coins, bank notes, bullion, cheques, travellers cheques, registered cheques, postal orders, money orders held for sale to the public or funds, whether held in physical form or via electronic means, and cryptocurrency(ies). **Money** does not include goods or tangible property
72. **Natural Person** means an individual who can be identified by specific reference to an identifier such as a name, national identification number or other government issued identification number, location

data, an online identifier such as an IP address, or by one or more factors specific to the physical, cultural or social identity of that individual.

73. **Net Profit** means the operating profit resulting from the **Insured's** business after due provision has been for all fixed charges.
74. **Network Security** means those activities performed by an **Insured**, or by others on behalf of an **Insured**, to protect against **Computer Malicious Acts** or **Unauthorised Use or Access**
75. **Occurrence** means an event including continuous or repeated exposure to conditions which results in **Personal Injury** or **Property Damage** neither expected nor intended from the standpoint of the Insured. All **Occurrences** of a series consequent on or attributable to one source or original cause shall be deemed one **Occurrence**.
76. **Officer** means any natural person who was, now is, or shall be an officer of the **Organisation**.
77. **Organisation** means the **Principal Organisation** and any **Subsidiary**.
78. **Organisation Claim** means:
- 78.1 a written demand for monetary damages, non-pecuniary relief or any request to waive or suspend a statute of limitations;
 - 78.2 a civil proceeding;
 - 78.3 an arbitration, mediation, conciliation or alternative dispute resolution proceeding;
 - 78.4 a criminal proceeding; or
 - 78.5 a formal administrative or formal regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document,
- against an **Organisation** for a **Wrongful Act**, including any appeal there from.
- Organisation Claim** also means a **Tax Audit Notice**.
79. **Organisational Change** means:
- 79.1 the **Principal Organisation** merging into or consolidating with another organisation such that the **Principal Organisation** becomes a subsidiary of the other organisation;
 - 79.2 another organisation acquiring the business or assets of the **Principal Organisation**; or
 - 79.3 another person or group of organisations or persons acting in concert, acquiring control of the composition of the **Principal Organisation's** board, being in a position to cast, or control the casting of more than fifty percent (50%) of the maximum number of votes that might be cast at a general meeting of the **Principal Organisation** or holding more than fifty percent (50%) of the issued share capital of the **Principal Organisation** (excluding any part of that issues share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).
80. **Outside Directorship** means the position of **Director**, **Officer**, trustee, governor, councillor, or the holder of an equivalent position in any jurisdiction, held by an **Insured Person** in an **Outside Entity** provided that such position is assumed and maintained with the knowledge and consent or at the request of the **Organisation**.
81. **Outside Entity** means any entity that is not an **Organisation** and:

- 81.1 whose governing documents prevent it from distributing profits or assets for the benefit of members, whether or not it is exempt from the payment of income tax under any law, regulation or by-law anywhere in the world; or
 - 81.2 which is not registered or approved for direct or indirect trading on a national securities exchange or over the counter trading system anywhere in the world; or
 - 81.3 which is not located, incorporated or domiciled or does not operate in the United States of America or any territory under its jurisdiction; or
 - 81.4 which is not an authorised deposit taking institution, finance company, leasing company, friendly society, life insurance company, general insurance company, reinsurance company, investment company, mutual fund, collective investment scheme, fund manager, investment adviser, responsible entity of a managed investment scheme, trustee company, money market corporation, investment bank or any broker or dealer in securities or commodities, mortgage broker, real estate agent, stock exchange, commodities exchange, futures exchange, custodian, clearing house, registrar, medical benefits association or hospital benefits association or organisations of a similar nature.
82. **Payment Card Loss** means monetary assessments, fines, penalties, chargebacks, reimbursements, and fraud recoveries that an **Insured** becomes legally obligated to pay as a result of a **Privacy and Network Security Wrongful Act** and where such amount is due to an **Insured's** non-compliance with the Payment Card Industry Data Security Standard.
83. **Penalty or Penalties** means a fine or other cash penalty (including court costs) payable by the **Insured** upon conviction of an offence under the **Acts**, but does not include any losses, damages, compensation, reinstatement costs, remedial costs, restitution of anything, reparation, expenses or taxes, rates, duties or levies. The conviction must result from a prosecution brought by a statutory authority or enforcement agency under any of **the Acts**.
84. **Personal Data** means:
- 84.1 a **Natural Person's** name, national identity number or national insurance number, medical or healthcare data, other protected health information, driver's license number, state identification number, credit card number, debit card number, address, telephone number, email address, account number, account histories, or passwords; and
 - 84.2 any other protected personal information as defined in **Privacy Regulations**;
 - 84.3 in any format.
85. **Personal Injury** means bodily injury, sickness, disease, death, disability, shock, fright, mental anguish or mental injury.
- Personal Injury** also means, for the purposes of determining coverage under the Public and Products Liability Coverage Section:
- 85.1 false arrest, detention, false imprisonment, malicious prosecution or humiliation;
 - 85.2 the publication or utterance of libel slander or other defamatory or derogatory material, or a publication or utterance in violation of any individual's right of privacy except:
 - a) when the first such publication or utterance was made prior to the commencement of this Policy; or
 - b) when any such publication or utterance is made in the course of or is related to advertising, broadcasting or telecasting activities conducted by or on behalf of the **Insured**;
 - 85.3 wrongful entry or eviction or other invasion of the right of private occupancy;

85.4 assault and battery not committed by or at the direction of the **Insured** unless committed for the purpose of preventing or eliminating danger to persons or property.

86. **Personal Injury Wrongful Act** means any:

86.1 false arrest, wrongful detention or imprisonment, malicious prosecution; or

86.2 wrongful entry or eviction or other invasion of the right of privacy.

87. **Personal Liability Claim** means each separate intimation, threat or allegation that the **Insured** is responsible for **Personal Injury** arising out of an act or omission which has occurred in the course of and arises directly from the **Business** and has occurred in its entirety after the retroactive date stated in the **Schedule**

88. **Policy** means this policy document including the declaration, any policy schedules and any endorsements.

89. **Policy Period** means the period of time from and to the dates set out in Item 2 of the Declarations, subject to any prior termination in accordance with the Termination of Policy Conditions.

90. **Political Threat** means a politically motivated threat or threats made solely and directly against an **Organisation** to do bodily harm to an **Insured Person** or a spouse, sibling, parent or child of an **Insured Person** by a person or group:

90.1 acting as an agent of or with tacit approval of any government or governmental entity; or

90.2 acting or purporting to act on behalf of any political terrorist or insurgent party, organisation or group.

All such threats:

a) related by a common committed, attempted or threatened act; or

b) made contemporaneously against the same **Insured Person** or relative,

will be deemed to constitute a single **Political Threat**.

Political Threat does not include any such threat due to:

90.3 any violation of law of the host country by an **Insured**; or

90.4 failure of an **Insured** to procure or maintain proper immigration, work, residence or similar visas, permits or other documentation.

91. **Pollutants** means any solids, liquids, gaseous or thermal irritants or contaminants including smoke, vapour, soot, fumes, acids, alkalis, chemicals, asbestos products or waste. Waste includes materials to be recycled, reconditioned or reclaimed.

92. **Pre-Investigation** means:

92.1 a raid or on-site visit to any **Organisation** or **Insured Person** by an official body first occurring during the **Policy Period** that involves the production, review, copying or confiscation of records or interviews of any **Insured Person**; or

92.2 any formal notification by the **Organisation** or an Insured person to any regulator first given during the **Policy Period**, where the **Organisation** reasonably considers that a material breach of the **Organisation's** or **Insured Person's** legal or regulatory duty has occurred or may occur; or

- 92.3 any **Internal Inquiry** conducted by the **Organisation**.
93. **Premises** means the interior of any building occupied by an **Organisation** in conducting its business.
94. **Principal Organisation** means the entity designated in Item 1 of the Declarations.
95. **Privacy and Network Security Claim** means:
- 95.1 a demand against an **Insured** for monetary or non-monetary damages;
- 95.2 a civil proceeding against an **Insured** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading;
- 95.3 an arbitration proceeding against an **Insured** seeking monetary damages or non-monetary or injunctive relief; or
- 95.4 a **Regulatory Proceeding**.
96. **Privacy and Network Security Claims Expenses** means:
- 96.1 reasonable and necessary legal fees, expert witness fees and other fees and costs incurred by the **Company**, or by an **Insured** with the **Company's** prior consent, in the investigation and defence of a covered **Privacy and Network Security Claim**; and
- 96.2 reasonable and necessary premiums for any appeal bond, attachment bond or similar bond, provided the **Company** shall have no obligation to apply for or furnish such bond.
97. **Privacy and Network Security Wrongful Act** means any error, misstatement, misleading statement, act, omission, neglect or breach of duty, actually or allegedly committed or attempted by an **Insured**, in capacity as such, resulting in:
- 97.1 a failure of **Network Security**, including the failure to deter, inhibit, defend against or detect any **Computer Malicious Act** or **Unauthorised Use or Access**, including that which causes **Personal Injury**;
- 97.2 the failure by an **Insured** or by an independent contractor for which an **Insured** is legally responsible to handle, manage, store, destroy or otherwise control:
- a) **Personal Data**, including that which causes **Personal Injury**; or
- b) Non-public, private third party corporate information in any format provided to the **Insured**; or
- 97.3 an unintentional violation of an **Insured's** privacy policy that results in the violation of any **Privacy Regulation**, including but not limited to the unintentional wrongful use or collection of **Personal Data** by an **Insured**.
98. **Privacy Regulation** or **Privacy Regulations** means regulations and laws applying to the care, collection, custody, control, use, or disclosure of **Personal Data**, including **Data** that is regulated by the General Data Protection Regulation (GDPR).
99. **Product** or **Products** means anything that the **Insured** sells, designed, created, developed, assembled, manufactured, handled, installed, disposed of, leased to or licensed for others, sold, or that is distributed by or on behalf of an **Insured**, including the repair or maintenance thereof.
100. **Products Hazard** means **Personal Injury** and/or **Property Damage** arising out of the **Insured's Products** or their use but only where loss from such injury or damage occurs to persons other than the **Insured**.

101. **Professional Services** means those services designated in the Schedule.
102. **Professional Services Claim** means
- 102.1 a written demand for monetary damages or non-pecuniary relief;
 - 102.2 a civil proceeding;
 - 102.3 a **Formal Investigation**; or
 - 102.4 an arbitration, mediation, conciliation or alternate dispute resolution proceeding,
- against any Insured for a **Wrongful Act**, including any appeal therefrom.
103. **Programming Error** means an error that occurs during the development or encoding of a program, application or operating system that would, once in operation, result in a malfunction of the computer system and/or an interruption of operation and/or an incorrect result.
104. **Property** for the purposes of determining coverage under:
- 104.1 the Crime Coverage Section means tangible property other than **Money** or **Securities**; and
 - 104.2 the Kidnap, Ransom and Extortion Coverage Section means:
 - a) all Premises and merchandise of an Organisation;
 - b) any other real or tangible personal property owned or leased by an **Organisation**; and
 - c) any other tangible personal property for which an **Organisation** is legally liable, provided that such tangible personal property is located on the **Premises** or on any land adjacent thereto occupied by such **Organisation** in conducting its business.
105. **Property Damage** means:
- 105.1 physical damage to, destruction of or loss of tangible property including the loss of use thereof at any time resulting there from; or
 - 105.2 loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by physical damage of other tangible property.
106. **Proposal** means means all proposals, including attachments and materials incorporated therein, submitted by, or information disclosed by the **Insured** to the **Company** for this **Policy** or any policy issued by the **Company** of which this **Policy** is a direct or indirect renewal or replacement.
107. **Prosecution and Reputation Protection Costs** mean the reasonable legal fees and related professional charges to bring legal proceedings to overturn:
- 107.1 an interim or interlocutory judicial order for the confiscation of, assumption of ownership and control of, or freezing of, any asset of such **Insured Person**;
 - 107.2 an interim or interlocutory judicial charging order over any asset of such **Insured Person**;
 - 107.3 an interim or interlocutory judicial order disqualifying such **Insured Person** from holding office or from managing a company; or
 - 107.4 a judicial order requiring such **Insured Person** to be confined to a specified domestic residence or held in custody pending trial of a **D&O Claim**.

Prosecution and Reputation Protection Costs shall include reasonable costs and charges incurred by an **Insured Person** in hiring a public relations firm to mitigate the effects of any published negative statements about such **Insured Person** made during the **Policy Period** by any

government, regulatory, self-regulatory, professional, trade, statutory or official body or institution, including for the avoidance of doubt, a royal commission, commission of inquiry, judicial body or stock exchange that is empowered by law to investigate the affairs of any **Insured**.

108. **Recall Expenses:**

108.1 means:

- a) reasonable expenses for transportation; and
- b) other reasonable expenses, subject to the **Company's** prior written approval,

incurred by an **Organisation** in the withdrawal, physical inspection or destruction of **Merchandise**.

108.2 does not include:

- a) refunds for, the value of or the cost of replacing any withdrawn, damaged or destroyed **Merchandise**; or
- b) any loss, fees or expenses incurred for any known or suspected defect, deficiency or use of substandard or flawed materials necessitating the withdrawal, physical inspection or destruction of **Merchandise** in the absence of an **Extortion Threat** against such **Merchandise**.

109. **Regulatory Fines** means any civil monetary fine or penalty imposed by a government or regulatory body, including an official governmental entity in such entity's regulatory or official capacity pursuant to its order under a **Regulatory Proceeding**. **Regulatory Fines** shall not include any civil monetary fines or penalties that are not insurable by law, criminal fines, disgorgement of profits or multiple damages

110. **Regulatory Proceeding** means a request for information, demand, suit, civil investigation or civil proceeding by or on behalf of a government agency, commenced by a service of a complaint or similar pleading alleging the violation of **Privacy Regulations** as a result of an **Insured's Privacy and Network Security Wrongful Act** and that may reasonably be expected to give rise to a covered **Privacy and Network Security Claim** under the Privacy and Network Security Liability Insuring Clause.

Regulatory Proceeding does not include any action, proceeding or suit, or the portion of any action, proceeding or suit, that is based on or related to a criminal violation of **Privacy Regulations**

111. **Retaliation** means retaliatory treatment against an **Employee** of an **Organisation** on account of such individual:

- 111.1 exercising their rights under law, refusing to violate any law, or opposing any unlawful practice;
- 111.2 having assisted or testified in or co-operated with a proceeding or investigation (including any internal investigation conducted by the **Organisation's** human resources department or legal department) regarding alleged violations of law by the **Insured**;
- 111.3 disclosing or threatening to disclose to a superior or to any governmental agency any alleged violations of law; or
- 111.4 filing any claim against the **Organisation** under the Protected Disclosures Act 2000 or any whistleblower law anywhere in the world.

112. **Robbery** means the unlawful taking of **Money, Securities or Property** from the custody of an **Insured Person** or other natural person (except a person acting as a watchman, porter or caretaker) authorised by an **Organisation**.

113. **Safe Burglary** means the unlawful taking of **Money**, **Securities** or **Property** by forcible or violent entry evidenced by visible marks from a locked vault or safe located within the **Premises**.
114. **Salary** means compensation an **Organisation** pays an **Insured Person**, including but not limited to any bonus, commission, incentive payments and the cost of health, welfare and superannuation benefits.
115. **Securities** means for the purposes of coverage under:
- 115.1 the Crime Coverage Section, negotiable and non-negotiable instruments representing a share, participation or other interest in the property or enterprise of an entity, such as company stock or bonds;
 - 115.2 the Statutory Liability Coverage Section, any equity or debt instrument issued by the **Organisation**.
116. **Self-Report** means the actual report to any official body by any **Insured** pursuant to a legal or regulatory obligation to inform such agency of matters giving rise to actual or potential legal or regulatory issues, where failure to give such notification or delay in notifying, would itself give rise to legal or regulatory consequences for the **Insured**.
117. **Sentences for Reparation** means a sentence of reparation made under the Sentencing Act 2014 arising from a breach of the Health and Safety at Work Act 2015.
118. **Social Engineering Fraud** means the intentional misleading of an **Insured Person**, through misrepresentation of a material fact which is relied upon by an **Insured Person**, believing it be genuine.
119. **Statutory Charge** means a charge arising under section 9 of the Law Reform Act 1936 or any equivalent legislative provision in Australian states or territories.
120. **Statutory Liability Claim** means each separate intimation, threat or allegation that the **Insured** breached or may have breached or committed an offence under any provision of one or more of **the Acts** as an unintentional and unexpected result of an act or omission, which has occurred in the course of and arises directly from the **Business** and has occurred in its entirety after the Retroactive Date stated in the Statutory Liability Coverage Section Schedule.
121. **Stock Benefits** means any offering, plan or agreement between an **Organisation** and any **Director, Officer** or **Employee** which grants stock or stock options or stock appreciation rights as to an **Organisation** to such individual, including but not limited to restricted stock or any other stock grant or compensation or incentive granted in the form of securities of such **Organisation**. **Stock Benefits** shall not include employee stock ownership plans or employee stock purchase plans.
122. **Subsidiary** means any entity in which the **Principal Organisation**:
- 122.1 controls the composition of that entity's board of directors;
 - 122.2 controls more than fifty percent (50%) of the shareholder or equity voting power of that entity;
 - 122.3 holds more than fifty percent (50%) of the issued share capital of that entity; or
 - 122.4 otherwise exercises effective management control, and
- provided only for the purposes of determining coverage under the Directors and Officers Liability Coverage Section, Employment Practices Liability Coverage Section, Miscellaneous Professional Indemnity Coverage Section, and the Cyber Coverage Section insofar as any Privacy and Network Media Liability, that the above control or holding existed at the time of the **Wrongful Act** or the commencement of **Formal Investigation** or **Pre-Investigation**.

123. **Superannuation Fund** means any superannuation or similar fund established by an **Organisation** for the sole benefit of any **Insured Person**.
124. **Superannuation Liability** means a **D&O Claim** alleging that an **Insured Person** is personally liable for any unpaid superannuation guarantee charge due from an **Organisation**.
125. **Tax Agent** means any person who is not an **Insured Person** who is registered by the New Zealand Taxation Office as a tax agent and who is engaged by an **Organisation** to prepare, or supervise the preparation of, or review all returns and statements required by the New Zealand Taxation Office in respect of such **Organisation's** liability to pay tax.
126. **Tax Audit Notice:**
- 126.1 means any notification from the New Zealand Inland Revenue Department of an audit of, or investigation relating to an **Organisation's** liability to pay tax;
- 126.2 does not include comprehensive risk reviews or risk management assessments, specific reviews, or pre-lodgement compliance reviews.
127. **Tax Investigation and Audit Expenses** means the reasonable costs, charges or fees of a **Tax Agent** incurred in investigating any notification from the New Zealand Inland Revenue Department or government tax collection authority relating to an **Organisation's** liability to pay tax.
- Tax Investigation and Audit Expenses** does not include tax audit costs.
128. **Tax Liability** means a **D&O Claim** alleging that an **Insured Person** is personally liable for the failure to pay tax due from an **Organisation** in connection with the bankruptcy, receivership, administration, winding up, insolvency or liquidation of such **Organisation**.
129. **Theft** means the dishonest and unlawful taking of **Money, Securities** or **Property** to the deprivation of an **Organisation** with the intention of permanently depriving an **Organisation** of its use and obtaining a financial gain for themselves. **Theft**, for the purposes of the Cyber Coverage Section, will also mean such deprivation of an **Insured Person**.
130. **Third Party** means, for the purposes of coverage under:
- 130.1 the Employment Practices Liability Coverage Section any natural person who is a customer, vendor, service provider or business invitee of an **Organisation**. **Third Party** does not include any past, present or prospective **Employee**; and
- 130.2 the Crime Coverage Section and Cyber Section, a person other than an **Insured Person**, or person other than acting in collusion with an **Insured Person**.
131. **Third Party Claim** means:
- 131.1 a written demand for monetary damages of non-pecuniary relief, including injunctive relief and any request to waive or suspend a statute of limitations;
- 131.2 a civil proceeding;
- 131.3 an arbitration proceeding, mediation, conciliation or alternative dispute resolution proceeding;
- 131.4 a administrative, regulatory or tribunal proceeding commenced by the issuance of a formal investigative order or similar document;
- 131.5 which is brought and maintained by or on behalf of a **Third Party** against an **Insured** for any **Third Party Wrongful Act** including any appeal therefrom.

132. **Third Party Wrongful Act** means unlawful discrimination or unlawful harassment against a **Third Party** pursuant to any law anywhere in the world, committed, attempted, or allegedly committed or attempted, by any **Insured**.
133. **Unauthorised Use or Access** means the entry or access to a **Covered Computer System** by an unauthorised party or individual, including an employee or authorised party exceeding authority.
134. **Wages and Hours** means
- 134.1 the amount, calculation, timing or manner of payment of minimum wages, prevailing wage rates, overtime pay or other reward;
 - 134.2 the classification of employees for wage or hours of work purposes;
 - 134.3 withholdings or other deductions from wages;
 - 134.4 rights to leave or absence from work or rights to pay during such absence;
 - 134.5 child labour; or
 - 134.6 pay equity or comparable worth.
135. **Waiting Period** means the number of hours specified in item 6 of the Cyber Coverage Section Schedule following a **Business Interruption Incident**.
136. **Watercraft** means any vessel, craft or thing made or intended to float on or in or travel on or through water.
137. **Wrongful Act** means, for the purposes of determining coverage under:
- 137.1 the Directors and Officers Liability Coverage Section:
 - a) any act or omission, including but not limited to any error, misstatement, misleading statement, neglect, breach of trust, breach of warranty of authority or breach of duty committed, attempted, or allegedly committed or attempted by:
 - i. with respect to D&O Liability Coverage and Organisation Reimbursement Coverage Insuring Clauses only, an **Insured Person**, individually or otherwise, in their capacity as such, or any matter claimed against such **Insured Person** by reason of serving in such capacity; or
 - ii. with respect to Organisation Liability Coverage only, an **Organisation**; or
 - iii. with respect to Deprivation of Assets Extension) only an **Insured Person**.
 - 137.2 the Employment Practices Liability Coverage Section, with respect to:
 - a) Employment Practices Liability Coverage Insuring Clause only, any actual or alleged wrongful or unfair, employment related:
 - i. discipline, dismissal, discharge or termination of employment;
 - ii. denial of natural justice;
 - iii. breach of any oral, written or implied employment contract;
 - iv. misrepresentation;
 - v. unlawful discrimination;
 - vi. unlawful harassment;
 - vii. failure to employ or promote;
 - viii. deprivation of a career opportunity;
 - ix. failure to grant tenure;
 - x. demotion;
 - xi. evaluation;
 - xii. invasion of privacy;
 - xiii. defamation;

- xiv. misleading or deceptive conduct;
- xv. bullying; or
- xvi. infliction of emotional distress,

committed, attempted, or allegedly committed or attempted, by an **Organisation** and/or an **Insured Person**;

- b) Third Party Liability Coverage Insuring Clause only, any **Third Party Wrongful Act** committed, attempted, or allegedly committed or attempted, by any **Insured**.

137.3 the Miscellaneous Professional Indemnity Coverage Section, any error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted, or allegedly committed or attempted before or during the **Policy Period**, by:

- a) an **Insured Person**, individually or otherwise, solely while performing **Professional Services** on behalf of the **Organisation**;
- b) an **Organisation** solely while performing **Professional Services**,

including any actual or alleged failure to perform such **Professional Services**.

137.4 the Cyber Coverage Section, any actual or alleged **Privacy and Network Security Wrongful Act, Media Wrongful Act, Malicious Use or Access, Cyber Incident, or Business Interruption Incident**.

138. **Wrongful Detention** means the wrongful involuntary confinement of an **Insured Person** (other than a **Kidnapping** or **Hijacking**) by a person or group, for a period of not less than four (4) hours, but not such detention due to:

138.1 any violation of law of the host country by an **Insured**; or

138.2 failure of an **Insured** to procure or maintain proper immigration, work, residence or similar visas, permits or other documentation.

139. **Wrongful Employment Practices** means any actual or alleged violation of employment laws or any other legal provisions relating to any individual's actual or prospective employment relationship with the **Insured**, including:

139.1 employment-related invasion of privacy, except with respect to that part of any **Privacy and Network Security Claim** arising out of the loss of **Personal Data** that is otherwise covered under the Privacy and Network Security Liability Insuring Clause;

139.2 employment-related wrongful infliction of emotional distress, except with respect to that part of any **Privacy and Network Security Claim** arising out of the loss of **Personal Data** that is otherwise covered under the Privacy and Network Security Liability Insuring Clause.

General Exclusions

The **Company** will not cover the **Insured** in respect of any loss, damage, cost or expense:

1. Prior Notice

based upon, arising from or in consequence of any fact or circumstance if written notice of such circumstance has been accepted under any policy or coverage section of which a Coverage Section is a renewal or replacement or which it may succeed in time;

2. **Pending and Prior Litigation**

based upon, arising from or in consequence of any demand, suit or proceeding pending against, or order, decree or judgment entered for or against, any Insured or Outside Entity on or prior to:

- 2.1 the Pending and Prior Litigation Date as set forth in the Coverage Section Schedule;
- 2.2 in the absence of a Pending and Prior Litigation Date in the Coverage Section Schedule, the earlier of the commencement of the **Policy Period** or the commencement of any policy issued by the **Company** of which the Coverage Section is a renewal or replacement,

or alleging or derived from the same or substantially the same facts or circumstances underlying or alleged therein.

3. **Assumed Liability**

based upon, arising from or in consequence for an **Insured's** liability assumed under any contract provided that this exclusion shall not apply to **Defence Costs** or liability which would attach to an Insured in the absence of such a contract;

4. **Financial Impairment**

based upon, arising from or in consequence of **Financial Impairment**;

5. **Conduct**

- 5.1 based upon any deliberately fraudulent act or omission or any willful violation or breach of any law, regulation or by-law anywhere in the world or duty imposed by any such law, regulation or by-law by such **Insured**;
- 5.2 based upon any conduct or contravention in respect of which a liability is the subject of a prohibition in section 162 of the Companies Act 1993 or any equivalent law anywhere in the world;
- 5.3 based upon an **Insured** having gained any profit, remuneration or advantage to which such **Insured** was not legally entitled,

provided that this exclusion shall not apply until a final adjudication in any proceeding establishes such a deliberately fraudulent act, omission, willful violation or breach. The term 'proceeding' shall not include any declaratory proceeding brought by or against the **Company**.

6. **Pollution**

based upon, arising from, or in consequence of:

- 6.1 the actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, escape, treatment, removal or disposal of **Pollutants**;
- 6.2 any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, or action taken in anticipation of such regulation, order, direction or request.

However, this shall not apply to **Loss** on account of any **Employment Claim** for **Retaliation**.

7. **War**

directly or indirectly caused by or contributed to by or arising from war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, monetary or usurped power or confiscation or nationalisation or requisition or destruction or damage

to property by or under the order of any government or public or local authority. However, this shall not apply to:

7.1 an **Act of Cyber-Terrorism** which results in a **Privacy and Network Security Claim**, a **Media Claim**, or a **Wrongful Act** for the purposes of the Cyber Coverage Section; or

7.2 the Kidnap, Ransom and Extortion Coverage Section.

8. **Radiation or Contamination**

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

8.1 ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or

8.2 the radioactive toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of an explosive nuclear assembly.

9. **Social Engineering Fraud**

directly or indirectly resulting from any transfer, payment or delivery of **Money, Securities** or **Property** as the result of **Social Engineering Fraud**, other than where cover is or would be provided by the Crime Coverage Section (regardless of whether the Insured has purchased cover under the Crime Coverage Section).

