



Woodina
Underwriting Agency

**Professional Indemnity Insurance
Policy Wording**

Real Estate Agents

Section 1 Preamble

- 1.1 Subject to payment of the **Premium** or as agreed in writing, **We** agree to provide indemnity in accordance with and subject to the terms and conditions of this **Policy**.
- 1.2 Before this **Policy** commenced **We** received information provided on behalf of the **Insured** in the **Proposal** and in other ways. **We** have relied on this information to decide whether to enter into this contract and on what terms. If any of this information is wrong or false it may affect the cover provided by this **Policy**.
- 1.3 Any word or expression to which a specific meaning has been attached shall bear that special meaning wherever they appear. If a word has a specific meaning it appears in the **Policy** in bold black type and with a capital letter. The meanings of these words can be found in Section 9 Definitions.

Section 2 Insuring Clauses

- 2.1 **We** agree to indemnify the **Insured**, up to the **Limit of Indemnity**, against civil liability for compensation to any third party arising from any **Claim** as a result of the conduct of the **Insured's Professional Services** that:
 - i. is first made against the **Insured** during the **Period of Insurance**; and
 - ii. is notified to **Us** during the **Period of Insurance**; and
 - iii. arises from an act or omission committed after the **Retroactive Date**.
- 2.2 **We** also agree to pay **Costs and Expenses** incurred with **our** written consent in the defence or settlement of any **Claim** indemnified by this **Policy**.

Section 3 Insuring Clause Clarification

For the purpose of clarifying the scope of cover under the Insuring Clause, indemnity is provided in respect of the following in accordance with, and subject to, the terms of this **Policy**;

3.1 Defamation

We agree to indemnify the **Insured** against civil liability for compensation arising from any **Claim** made against the **Insured** arising from unintentional defamation.

3.2 Competition & Consumer Legislation

We agree to indemnify the **Insured** against civil liability for compensation arising from any **Claim** made against the **Insured** under the terms of the Competition and Consumer Act

2010 (Commonwealth), the Fair Trading Act 1987 (NSW), the Fair Trading Act 1985 (Victoria) or similar legislation enacted by the other states or territories of the Commonwealth of Australia or the Dominion of New Zealand.

3.3 Intellectual Property

We agree to indemnify the **Insured** against civil liability for compensation arising from any **Claim** made against the **Insured** for any unintentional infringement of copyright, trademark, registered design or patent, or any plagiarism or breach of confidentiality.

3.4 Retroactive Date

- i. “Unlimited Retroactive Cover” – if no **Retroactive Date** is specified in the **Schedule** or if the **Retroactive Date** is specified in the **Schedule** as “Unlimited”, this **Policy** shall provide indemnity in respect of a **Claim** arising from acts, errors or omissions committed or alleged to have been committed irrespective of when such acts, errors or omissions were committed (or were alleged to have been committed).
- ii. “Limited Retroactive Cover” – where a **Retroactive Date** is specified in the **Schedule**, then this **Policy** shall only provide indemnity in respect of **Claims** arising from acts, errors or omissions committed or alleged to have been committed after the **Retroactive Date**.

Section 4 Automatic Extensions

We shall provide indemnity as is available under this Section, for no additional premium provided always that:

- i. The indemnity provided by each **Policy** Extension is subject to the **Schedule**, Insuring Clauses, Conditions, Definitions, Exclusions, **Deductible** and other terms of this **Policy** (unless otherwise expressly stated herein);
- ii. The inclusion of any **Policy** extension shall not increase the **Limit of Indemnity**.

4.1 Loss of Documents

We agree, in the event of loss or damage to **Documents**, to indemnify the **Insured** against all **Costs and Expenses** reasonably incurred by the **Insured** in replacing and restoring such documents provided that:

- i. such loss or damage is sustained during the **Policy Period** while the **Documents** are either in transit or in the custody of the **Insured** or any person to whom the **Insured** has entrusted them in the course of the normal conduct of the **Professional Services**;

- ii. where the **Documents** are in electronic format, the **Insured** or any person to whom the **Insured** has entrusted them, have in place sufficient and proper procedures for the security and daily back-up of the **Documents**;
- iii. the amount of any **Claim** for such **Costs and Expenses** shall be supported by bills and / or accounts which shall be subject to approval by **Us** or a competent person nominated by **Us**;

We shall not be liable for loss or damage to **Documents** caused by:

- a) riot or civil commotion
- b) fading, mould, vermin, pest infestation, wear, tear or any other gradually operating cause
- c) any computer virus
- d) interference with electronically stored data by any person who is not a current principal, partner, director or **Employee** of the **Insured**.

4.2 Fraud and Dishonesty

We agree to indemnify the **Insured** against civil liability for compensation arising from any **Claim** made against that **Insured**, which would otherwise be excluded by reason of Exclusion 6.9 (fraud and dishonesty), arising from any dishonest, fraudulent, criminal or malicious act or omission, by an **Insured**.

Provided always that such indemnity shall not be provided to any **Insured** who committed, allowed, or condoned any dishonest, fraudulent, criminal or malicious act or omission.

4.3 Enquiry Costs

We will indemnify the **Insured** for **Enquiry Costs** provided that:

- i. notice requiring the **Insured's** response or attendance is first received by the **Insured** and is notified to **Us** during the **Period of Insurance**;
- ii. such response or attendance arises directly from conduct committed or allegedly committed by the **Insured** in the performance of the **Professional Services**;
- iii. such indemnity is subject to the written consent of **Us** prior to the incurring of the **Enquiry Costs**;
- iv. **We**, at **Our** discretion, are entitled to appoint legal representation to represent the **Insured** at the inquiry or hearing;
- v. regular or overtime wages, salaries or fees of the **Insured** are excluded from

indemnity under this extension;

- vi. **Our** total aggregate liability during any one **Period of Insurance** in respect of **Enquiry Costs** made under this policy extension shall not exceed \$100,000 and shall be part of and not in addition to the **Limit of Indemnity** as shown in the **Policy Schedule**.

4.4 Court Attendance Costs

We agree to provide up to \$250 per day for **Court Attendance Costs** incurred by **Employees** of the **Insured**, or up to \$500 per day for **Court Attendance Costs** incurred by partners, principals or directors of the **Insured** if they are legally compelled to attend a civil proceeding as a witness in a **Claim** covered by this **Policy**.

Our total aggregate liability during any one **Period of Insurance** for all **Court Attendance Costs** shall not exceed \$50,000 or \$2,500 per day, and shall be part of and not in addition to the **Limit of Indemnity** as shown on the **Policy Schedule**.

4.5 Newly Created Subsidiary

We agree to include in the definition of **Insured** to include any **Subsidiary** created by the **Named Insured** during the **Period of Insurance** for a period of up to fourteen (14) days (but never beyond the expiry date of the period of cover) from the date of such creation.

Provided always that this policy extension will only apply in respect of **Claim** against the **Subsidiary** arising from an act, error or omission occurring subsequent to the date of creation of the **Subsidiary**.

4.6 Run Off Cover Insured Entity

We agree that in the event an insured entity ceases to exist or operated or is consolidated with, merged into or acquired by any other entity then the coverage provided under this **Policy** with respect to such insured entity shall continue until the expiry date of the **Period of Insurance**.

Provided always that such coverage shall only apply in respect of **Claim(s)** arising from an act, error or omission occurring prior to the effective date that such insured entity ceased to exist or operate or was consolidated with, merged into or acquired by another entity.

4.7 Joint Venture Liability

We agree to indemnify the **Insured** in respect of any **Claim** resulting from the **Insured's** participation in any joint venture in connection with the **Professional Services** provided that:

- i. the indemnity provided shall only related to the **Insured's** proportion of any liability by such joint venture; and

- ii. the **Insured's** income derived from participation in the joint venture has been included in the calculation of income furnished by the **Insured** in the **Proposal Form**.
- iii. no cover is provided to the joint venture partner of the **Insured**.

4.8 Continuous Cover

Where the **Insured**:

- i. first became aware of facts or circumstances that might give rise to a **Claim**, prior to the **Period of Insurance**; and
- ii. had not notified **Us** of such facts or circumstances prior to the **Period of Insurance**,

then Exclusion 6.16 will not apply to any notification during the **Period of Insurance** of any **Claim** resulting from such facts or circumstances, provided that;

- a) the **Insured's** failure to notify is not fraudulent; and
- b) the **Insured** has been continuously insured, without interruption at the time of notification of the **Claim** to **Us**, under a policy issued by any APRA approved insurer, and was insured by any APRA approved insurer, at the time the **Insured** first became aware of such facts or circumstances; and
- c) **We** may reduce their liability under the **Policy** to the extent of any prejudice **We** may suffer in connection with the **Insured's** failure to notify the facts or circumstances giving rise to a **Claim** prior to the **Period of Insurance**; and
- d) the **Limit of Indemnity We** provide shall be the lesser available under the policy in force when the **Insured** first became aware of the facts or circumstances or under this **Policy**. The terms of this **Policy** otherwise apply.

4.9 Franchisors' Indemnity

Where the **Insured** operates as a real estate franchisee any **Claim** made against the franchisor arising out of its vicarious liability for the acts, errors or omissions of the franchisee shall be covered by this **Policy** as if made against the **Insured**.

4.10 General Insurance Distributor

The definition of **Professional Services** shall be extended to include the distribution of general insurance products by the **Insured** that does not require an Australian Financial Services License and is in a capacity other than as an authorised representative of an Australian Financial Services License holder.

4.11 Sub-Contractors

This **Policy** covers any sub-contractor, sub-consultant or agent performing work pursuant to a contract with the **Insured**, where such work is performed as part of the **Insured's Professional Service** and under the **Insured's** direct supervision and control.

Section 5 Optional Extensions

It is agreed that:

- i. the indemnity provided by each Optional Extension is subject to the **Schedule**, Insuring Clauses, Conditions, Definitions, Exclusions, Deductible and other terms of this **Policy** (unless otherwise expressly stated herein);
- ii. the optional extensions do not increase the **Limit of Indemnity**;
- iii. where an Optional Extension is not specified as included in the **Schedule** then this **Policy** shall not provide any indemnity in relation to coverage specified under such Optional Extension.

5.1 Fidelity

We agree to provide indemnity to the **Insured** against loss of money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes belonging to the **Insured** or for which the **Insured** is legally liable where any such loss is sustained in consequence of any dishonest or fraudulent act or omission in which an **Insured** participated. Provided always that:

- i. such loss is first discovered by the **Insured** during the **Period of Insurance** and is notified in writing to **Us** within the **Period of Insurance** and within twenty eight (28) days of the date of such discovery;
- ii. **We** shall not be liable for any loss sustained in consequence of any act or omission occurring after the date of the discovery of, or the reasonable cause for suspicion of, dishonest or fraudulent conduct on the part of the **Insured** concerned;
- iii. **We** shall not be liable to indemnify any **Insured** who committed or condoned any dishonest or fraudulent conduct in consequence of which the loss occurred;
- iv. the **Insured** shall bear the burden of adducing satisfactory proof to substantiate any loss hereunder (including any legal, investigative, accounting or other costs incurred in such process) and **We** will be under no obligation to provide indemnity to the **Insured** until such time as **We** are satisfied that such loss has, in fact, been sustained;
- v. **Our** liability for each loss under this Optional Extension and **Our** aggregate liability for all losses under this Optional Extension shall not exceed \$50,000 and shall be part

of and not in addition to the **Limit of Indemnity** as shown in the **Policy Schedule**.

- vi. the **Deductible** specified in the **Policy Schedule** applies to any one event, events or series of events caused by acts or omissions of the same person or persons (whether identifiable or not) and events in which such person or persons is/are involved or implicated shall be treated as one event.

5.2 Previous Business

We agree to provide indemnity in respect of any **Claim** for compensation made against any person who is or becomes or ceases to be during the **Period of Insurance** a principal, partner or director of the **Named Insured** for any civil liability arising from a breach of professional duty and incurred on the part of such person in the conduct of the same profession as the **Insured's Professional Services** before that person joined the **Named Insured**.

Section 6 Exclusions

We shall not be liable under this **Policy** to provide indemnity in respect of any **Claim** against any **Insured**:

6.1 Asbestos

directly or indirectly based upon, attributable to, or in consequence of asbestos, asbestos fibres or derivatives of asbestos in whatever form or quantity.

6.2 Assumed Duty or Obligation

directly or indirectly based upon, attributable to, or in consequence of any duty or obligation assumed by an **Insured** by way of contract, warranty, guarantee or indemnity, to the extent that such liability exceeds the liability the **Insured** would have incurred in the absence of such contract, warranty, guarantee or indemnity.

6.3 Bodily Injury and Property Damage

directly or indirectly based upon, attributable to, or in consequence of **Bodily Injury** or **Property Damage** unless such injury or damage arises directly out of any breach of a professional duty owed by the **Insured** arising from the provision of **Professional Services**.

6.4 Deregistration

directly or indirectly based upon, attributable to, or in consequence of in so far as the **Insured** is required by law to maintain a statutory registration in order to be entitled to practice or provide the **Professional Services, Claims** arising from acts, errors or omissions by or on behalf of the **Insured** subsequent to the suspension or cancellation of such registration.

6.5 Disclosure of Commission

directly or indirectly based upon, attributable to, or in consequence of any failure of an **Insured** to disclose or adequately disclose any:

- i. conflict of interest; or
- ii. commissions, fees, or other remuneration or benefits or may be received or payable.

6.6 Excluded Activities

directly or indirectly based upon, attributable to, or in consequence of:

- i. mortgage broking;
- ii. Property Management services performed by or on behalf of the **Insured** of any shopping centre, shopping mall or shopping complex that has more than ten (10) shops;
- iii. legal advice.

6.7 Failure to Sight

directly or indirectly based upon, attributable to, or in consequence of any failure by the **Insured** to inspect, access, sight or review any property or part thereof in respect of any report or assessment prepared by the **Insured**.

6.8 Fines and Penalties

for punitive, aggravated, multiple or exemplary damages, or fines or penalties imposed by law including but not limited to, civil penalties.

6.9 Fraud and Dishonesty

directly or indirectly based upon, attributable to, or in consequence of:

- i. any actual or alleged dishonest, fraudulent, criminal, or malicious act or omission of an **Insured** or their consultants, sub-contractors or agents; or
- ii. any act or omission of an **Insured** or their consultants, sub-contractors, or agents committed or alleged to have been committed with a reckless disregard for the consequences thereof; or
- iii. any wilful breach of any statute, contract or duty by an **Insured** or their consultants, sub-contractors or agents.

6.10 Insolvency

directly or indirectly based upon, attributable to, or in consequence of the **Insured's** insolvency, bankruptcy or liquidation.

6.11 Investment Advice

directly or indirectly based upon, attributable to, or in consequence of any investment advice or information or opinion regarding investment (including allegations of or in connection with the failure by the **Insured** to provide investment advice or information) provided by or on behalf of the **Insured**.

6.12 Jurisdictional Limits

- i. brought in a court of law within the territorial limits of the United States of America or the Dominion of Canada or their territories or protectorates; or
- ii. arising out of the enforcement of any judgement, order or award obtained within, or determined pursuant to, the laws of the United States of America or the Dominion of Canada or their territories or protectorates.

6.13 Nuclear

directly or indirectly based upon, attributable to, or in consequence of ionising radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of any nuclear fuel or from the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear device or assembly, or a nuclear component thereof.

6.14 Other Insurances

directly or indirectly based upon, attributable to, or in consequence of;

- i. the **Insured's** liability as an employer; or
- ii. actual or alleged unlawful discrimination (or other unlawful act, error or omission) by any **Insured** against any **Employee** or employment applicant; or
- iii. the **Insured's** functions and duties as a director and /or officer of the **Insured** or any legal entity, corporation or other incorporated body; or
- iv. the occupation of land or buildings by an **Insured**; or
- v. the **Insured's** liability as an owner or operator of any aircraft, marine craft or motor vehicles of any kind.

6.15 Pollutants

directly or indirectly based upon, attributable to, or in consequence of seepage, pollution or contamination of any kind.

6.16 Prior or Pending

- i. made, threatened or intimated against the **Insured** prior to the **Period of Insurance**;
or
- ii. directly or indirectly based upon, attributable to, or in consequence of any fact or circumstance:
 - a) of which written notice has been given, or ought reasonably to have been given, under any previous policy; or
 - b) of which an **Insured** first became aware prior to the **Period of Insurance**, and which such **Insured** knew or ought reasonably to have known had potential to give rise to a **Claim** under this **Policy**.

6.17 Related or Associated Entities

brought or maintained by or on behalf of:

- i. an **Insured** or any **Subsidiary** or parent of an **Insured**; or
- ii. any person who, at the time of the act, error or omission giving rise to the **Claim** is a **Family Member** or company owned or controlled by a **Family Member** unless such person or company is acting without any prior direct or indirect solicitation or co-operation of an **Insured**.
- iii. Any company or trust which is operated or controlled by the **Insured** or its nominees or trustees and which an **Insured** has a direct financial interest.

6.18 Retroactive Date

arising from work performed prior to the **Retroactive Date** specified in the **Schedule**.

6.19 Sale or Supply of Goods

directly or indirectly based upon, attributable to, or in consequence of the sale, manufacture, installation, construction, alteration, repair, servicing or treating of any goods or products sold, distributed or supplied by the **Insured**.

6.20 Territorial Limits

directly or indirectly based upon, attributable to, or in consequence of an act, error or

omission occurring within the territorial limits of the United States of America or the Dominion of Canada or their territories or protectorates.

6.21 Terrorism

directly or indirectly based upon, attributable to, or in consequence of any actual or alleged act of **Terrorism** or any action taken in controlling, preventing, suppressing or in any way relating to any actual or alleged act of **Terrorism**.

This exclusion operates in connection with any act of **Terrorism** regardless of any other cause or event and regardless of the sequence of the act of **Terrorism** and the other cause or event.

6.22 Trading Debts

directly or indirectly based upon, attributable to, or in consequence of any trading debt incurred by an **Insured** or any guarantee given by an **Insured** for a debt.

6.23 Valuation Services

directly or indirectly based upon, attributable to, or in consequence of valuation services provided by or on behalf of the **Insured**.

However, this exclusion shall not apply to the provision of comparative market appraisals, estimates or opinions of the selling price of a property as long as such appraisals, estimates or opinions are in writing and they specify they are not valuations.

6.24 War

directly or indirectly based upon, attributable to, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition of or damage to property by or under the order of any government, public or local authority.

6.25 Cyber Fraud

directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm or financial loss, of any (whether the **Insured's** or any other party's) computer, computer system, computer software programme, malicious code, computer virus, email or process or any other electronic system, including advising the **Insured** of a change in a recipient's bank account details or otherwise fraudulently having the **Insured** or any other party effect an incorrect payment of money.

Section 7 Claims Conditions

7.1 Claims Notification

The **Insured** shall, as soon as practicable and prior to expiry of the **Period of Insurance**, give **Us** written notice of any **Claim** made against the **Insured**. Furthermore every letter, demand, writ summons and legal process pertaining to such **Claim** shall be forwarded to **Us** as soon as practicable after receipt.

All **Claim** notifications should be forwarded to;

The Claims Manager
Woodina Underwriting Agency Pty Ltd
GPO Box 3313
Brisbane Qld 4001

Or Email: claims@woodina.com.au

It is the **Insured's** responsibility to ensure such notification has been forwarded to and received by **Woodina Underwriting Agency Pty Ltd**.

7.2 Claims Mitigation and Co-operation

- i. If the **Insured**, either prior to or during the **Period of Insurance** becomes aware of a situation which could, if not rectified, lead to a **Claim** or increase the quantum of a **Claim**, the **Insured** shall use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any liability hereunder.
- ii. The **Insured** shall frankly and honestly disclose to **Us** all relevant information and, in addition shall provide assistance to **Us**, as **We** may require to enable **Us** to investigate and to defend any **Claim** under this **Policy** and / or to enable **Us** to determine **Our** liability under this **Policy**.
- iii. Other than costs & expenses incurred by **Us** to enable **Us** to determine our liability under this **Policy**, compliance with this condition shall be at the **Insured's** own cost, unless otherwise agreed in writing by **Us**.

7.3 Claims Conduct

- i. **We** shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any **Claim** and shall have full discretion in the conduct of any proceedings and in the settlement of any **Claim**.
- ii. The **Insured** agrees not to settle any **Claim**, incur any costs & expenses or investigation costs & expenses, make any admission, offer or payment or otherwise

assume any contractual obligation with respect to any **Claim** or loss without **Our** written consent, such consent not to be unreasonably withheld. **We** shall not be liable for any settlement, costs & expenses, investigation costs & expenses, admission, offer or payment, or assumed obligation to which they have not consented in writing.

- iii. **We** may, if **We** believe that any **Claim** will not exceed the **Deductible**, instruct the **Insured** to conduct the defence of the **Claim**. In such situation, **We** will reimburse the **Insured** for all reasonable **Costs & Expenses** in the defence of the **Claim** in the event that any payment made to dispose of the **Claim** exceeds the **Deductible**.

7.4 Senior Counsel Clause

- i. **We** and the **Insured** shall not be required to contest any legal proceedings unless a **Senior Counsel**, to be mutually agreed upon by **Us** and the **Insured**, shall advise that such proceedings should be contested. Failing agreement for the appointment, the **Senior Counsel** is to be appointed by the President of the Queensland Bar Association.
- ii. In formulating such advice, the **Senior Counsel** shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely **Costs & Expenses** and the prospects of the **Insured** successfully defending the **Claim**.
- iii. The cost of such **Senior Counsel's** opinion shall be regarded as part of the **Costs & Expenses**.

7.5 Right to Contest

In the event that **We** recommend a settlement in respect of any **Claim** and the **Insured** does not agree that such **Claim** should be settled, then the **Insured** may elect to contest such **Claim**. Provided always that **Our** liability in connection with such **Claim** shall not exceed the amount for which the **Claim** could have been so settled plus the **Costs & Expenses** incurred with our written consent up to the date of such election, less the **Deductible**.

7.6 Multiple Claims

All **Claims** arising out of, based upon, attributable to or in respect of a single act, error or omission or series of acts, errors or omissions consequent upon or attributable to one source or original cause shall be considered to be one **Claim** for the purpose of this **Policy**.

7.7 Subrogation

- i. If any payment made is under this **Policy** **We** are subrogated to the **Insured's** rights of recovery and the **Insured** must assist and provide such information as **We** reasonably require to exercise such rights.

- ii. **We** agree not to exercise any such rights against any director, principal or **Employee** of the **Insured** unless the **Claim** is brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of the director, principal or **Employee**.
- iii. The **Insured** shall not without **Our** prior written consent, enter into any contract or agreement which excludes, limits or prejudices a right of recovery which the **Insured** may have in respect of any **Claim** covered by this **Policy**.

7.8 Fraudulent claims

If any **Claim** be in any respect fraudulent or if any fraudulent means or devices be used by the **Insured** or anyone acting on the **Insured's** behalf to obtain any benefit under this **Policy**, or if any loss hereunder be occasioned by the wilful act or with the connivance of the **Insured**, **We**, without prejudice to any other right(s) **We** might have under this **Policy**, shall be entitled to refuse to pay such **Claim**.

Section 8 General Conditions

8.1 Alteration to Risk

The **Insured** must notify **Us** as soon as reasonably practicable of any material change in the risk insured by this **Policy**. **We** are entitled to amend the terms of this **Policy** and / or charge an additional premium based on **Our** assessment of any change in the risk insured by this **Policy**.

A material change in the risk shall include but is not limited to;

- i. an **Insured** going into voluntary bankruptcy, receivership, liquidation or any other form of external administration or an **Insured** failing to pay debts or breaching any other obligation giving rise to the appointment of a receiver or bankruptcy or winding-up proceedings;
- ii. any material change to the nature of the **Professional Services** offered by the **Insured**;
- iii. any material change in the **Insured's** business.

8.2 Assignment

This **Policy** cannot be assigned by the **Insured** without **Our** written consent.

8.3 Cancellation

- i. The **Insured** may cancel this **Policy** at any time in writing to **Us**. Upon receipt of such request **We** will retain a short period premium calculated at the pro rata portion of the annual premium for the time they have been on risk plus ten percent (10%), subject to a minimum retained premium of \$500, and the **Insured** shall receive a refund of any balance of the **Premium** actually paid.
- ii. **We** may cancel this **Policy** in accordance with the Insurance Contracts Act 1984.
- iii. If there have been any **Claims** made under the **Policy** no refund shall be given.

8.4 Deductible

We shall only be liable for that part of each and every **Claim** (which includes all **Costs and Expenses** incurred) which exceeds the amount of the **Deductible** as specified in the **Schedule** subject at all times to the **Limit of Indemnity** specified in the **Schedule**.

The **Deductible** shall be borne by the **Insured** at their own risk.

Where the **Deductible** is specified to be inclusive of **Costs and Expenses**, the **Insured** shall pay the **Costs and Expenses** as they are incurred, up to the amount of the **Deductible**, except to the extent that such **Costs and Expenses** are the cost of time spent by the inhouse solicitors, claims managers and administrative staff of Woodina Law, acting on **Our** behalf. So the **Deductible** shall not apply to such **Costs and Expenses** incurred involving Woodina Law.

Where the **Deductible** is specified to be exclusive of **Costs and Expenses**, the **Deductible** shall not apply to the **Costs and Expenses** to the extent that such **Costs and Expenses** are the cost of time spent by the inhouse solicitors, claims managers and administrative staff of Woodina Law, acting on **Our** behalf.

If any expenditure is incurred by **Us** which by virtue of this clause is the responsibility of the **Insured** then such amount shall be reimbursed to **Us** by the **Insured** forthwith.

8.5 GST Basis of Settlement

- i. Where payment is made under this **Policy** for the acquisition of goods, services or other supply, **We** will reduce the amount of the payment by the amount of any Input Tax Credit that the **Insured** is, or will be, entitled to under a New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition, whether or not that acquisition is made.
- ii. Where payment is made under this **Policy** as compensation instead of payment for the acquisition of goods, services or other supply, **We** will reduce the amount of the payment by the amount of any input Tax credit that the **Insured** would have been entitled to under a New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other supply.

8.6 Governing Law

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

8.7 Interpretation

In this **Policy**;

- i. the single includes the plural and the masculine includes the feminine and vice versa
- ii. the titles and headings to the various sections of the **Policy** are included solely for ease of reference and do not in any limit or expand or otherwise affect the terms of such sections.

8.8 Limit of Indemnity

- i. **Our** total liability for any one **Claim**, including **Costs and expenses**, will not exceed the **Limit of Indemnity** specified in the **Schedule**, and **Our** total liability in the aggregate in respect of all **Claims**, during the **Period of Insurance**, will not exceed the **Aggregate Limit of Indemnity** specified in the **Schedule**.
- ii. Where the **Limit of Indemnity** is specified in the **Schedule** as costs in addition, **We** will pay, **Costs and expenses**, in addition to the **Limit of Indemnity**, an amount not exceeding the **Limit of Indemnity**. Provided that:
 - (a) where the **Insured's** liability exceeds the available **Limit of Indemnity**, **We** shall only pay such proportion of **Costs and Expenses** as the available **Limit of Indemnity** bears to the **Insured's** liability;
 - (b) where the amount **We** have paid or incurred as **Costs and Expenses** exceeds the share that **We** are obliged to pay under Clause 2.2, the **Insured** shall upon demand pay to **Us** the excess amount, or **We** may deduct the excess amount from any entitlements the **Insured** might have at any time under this **Policy**
 - (c) Where the **Limit of Indemnity** is specified in the **Schedule** as costs inclusive, **Costs and expenses**, shall be included in, and not in addition to, the **Limit of Indemnity** specified in the **Schedule**.
 - (d) This clause does not increase any sub-limit in the **Policy**.

8.9 Other Insurance

If at the time any **Claim** arises under the **Policy** there is any other insurance in force covering the same liability the **Insured** shall promptly provide **Us** full details of such other insurance, including the indemnity of the insurer, the policy number and such further information as

We may reasonably require.

8.10 Reinstatement of the Limit of Indemnity

If the **Limit of Indemnity** is either partially or totally exhausted by the payment of a **Claim** under this **Policy**, **We** agree to reinstate the Limit of Indemnity by an amount equal to the **Limit of Indemnity** (or a multiple of such **Limit of Indemnity** if there is more than one reinstatement under the **Policy**) provided that:

- i. **Our** total liability in respect of all **Claims** under this **Policy** shall not exceed the **Limit of Indemnity** as specified in the **Schedule**;
- ii. such reinstatement is only available for subsequent **Claims** totally unrelated to those that give rise to the partial or total exhaustion of the **Limit of Indemnity**.

8.11 Sanctions

We shall not provide cover and **We** shall not be liability 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 **Us** to any sanction, prohibition or restriction under United States resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

8.12 Severability and Non-Imputation

Where this **Policy** insures more than one party, any failure on the part of any of the parties to:

- i. comply with the duty of disclosure under the Insurance Contracts Act 1984;
- ii. comply with any obligation under this **Policy** (other than the obligation to pay premium); or
- iii. refrain from conduct which is dishonest, fraudulent, criminal or malicious,

shall not prejudice the right of the remaining party or parties to indemnity under this **Policy**, provided that such remaining party or parties shall:

- a) be entirely innocent and have no prior knowledge of any such failure; and
- b) as soon as practicable after becoming aware of any such failure, advise **Us** in writing of all its relevant circumstances.

8.13 Variation of the Policy

No variation of this **Policy** will be effective, unless made by **Endorsement** which is signed by a properly authorised employee of **Woodina Underwriting Agency Pty Ltd**.

8.14 Several Liability

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

Section 9 Definitions

9.1 Aggregate Limit of Indemnity

shall mean the amount shown as the **Aggregate Limit of Indemnity** in the **Schedule**.

9.2 Bodily Injury

shall mean the physical injury, sickness, disease, death, mental injury, mental anguish, nervous shock or emotional distress of any person.

9.3 Claim

shall mean:

- i. The receipt by the **Insured** of any demand for compensation made by a third party against the **Insured**.
- ii. Any writ, statement of claim, summons, application or other originating legal or arbitral process, cross-claim, counterclaim or third or similar party notice served upon the **Insured** which contains a demand for compensation made by a third party against the **Insured**.

9.4 Costs & Expenses

shall mean the reasonable legal costs and other expenses incurred by or on behalf of the **Insured** or by **Us** in the investigation defence or settlement of a **Claim**.

9.5 Court Attendance Costs

shall mean the reasonable costs incurred by the **Insured** in attending a civil proceeding as a witness in a **Claim**. These costs shall include, but not be limited to travel expenses, locum expenses, meals, and accommodation.

9.6 Deductible

shall mean the amount shown as the **Deductible** in the **Schedule**.

9.7 Documents

shall mean deeds, wills, agreements, maps, plans, books, letters, policies, certificates, forms and documents of any nature whatsoever, whether written, printed or reproduced by any method including computer records and electronic data material but shall not include bearer bonds or coupons, stamps, bank or currency notes or any other negotiable instrument.

9.8 Employee

shall mean any person employed under a contract of service or apprenticeship with the **Insured** during or prior to commencement of the **Period of Insurance**.

9.9 Enquiry Costs

shall mean the necessary and reasonable legal costs and expenses incurred by the **Insured** arising out of any notice from an inquiring body requiring a response from the **Insured** or requiring the **Insured's** attendance at an investigation, inquiry or hearing before the inquiring body.

9.10 Family Member

shall mean:

- i. any spouse, domestic partner, or companion;
- ii. any parent, or parent of the spouse, domestic partner, or companion;
- iii. any sibling or child;
- iv. of an **Insured**.

9.11 Insured

shall mean:

- i. the **Named Insured**;
- ii. any person who is, during the **Period of Insurance**, a principal, partner or director of the **Named Insured** but only in respect of work performed while a principal, partner or director of the **Named Insured**;
- iii. any person who is, during the **Period of Insurance**, an **Employee** of the **Named Insured** but only in respect of work performed while an **Employee** of the **Named Insured**; or
- iv. any former principal, partner, director or **Employee** of the **Named Insured**, but only

in respect of work performed while a principal, partner, director or **Employee** of the **Named Insured**;

- v. any **Subsidiary** of the **Named Insured** named in the **Proposal**;
- vi. the estate, heirs, legal representatives or assigns of an **Insured** in the event of the death or incapacity of that **Insured**.

9.12 Investigation Costs & Expenses

shall mean legal costs and other expenses incurred by or on behalf of the **Insured** or by **Us** arising out of any legally compellable attendance by an **Insured** at any official investigation, examination or enquiry in relation to the conduct of the **Professional Services** where such investigation, examination or enquiry may lead to a recommendation in respect of civil liability or civil proceedings which would be the subject of a **Claim** covered by this **Policy**.

9.13 Limit of Indemnity

shall mean the limit of **Our** liability under this **Policy** as specified in the **Schedule**.

9.14 Named Insured

shall mean the person, persons, partnership, company, corporation or other entity specified as the **Named Insured** in the **Schedule**.

9.15 Period of Insurance

shall mean the period stated in the **Schedule**.

9.16 Policy

shall mean:

- i. the **Schedule**, Insuring Clauses, Extensions, Conditions, Definitions, Exclusions and other terms contained herein;
- ii. any endorsement attaching to and forming part of this **Policy** either at inception or during the **Period of Insurance**; and
- iii. the **Proposal**.

9.17 Pollutants

shall mean:

- i. any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals; or

- ii. any waste materials including materials recycled, reconditioned or reclaimed; or
- iii. any other air emission, odour, waste water, oil, oil products, infectious or medical waste or any noise emission.

9.18 Premium

shall mean the **Premium** specified in the **Schedule** or in any endorsement to the **Schedule**.

9.19 Professional Services

shall mean the profession, as specified in the **Schedule**, which is conducted by the **Named Insured**. If the **Named Insured** should change its name and there is no other change which materially alters the risk, the **Insured's** profession will continued to be covered by this **Policy**.

9.20 Property Damage

shall mean damage to or loss or destruction of tangible property or loss of use thereof.

9.21 Proposal

shall mean the **Proposal** made by the **Insured** to **Us** containing particulars and statements which, together with other information provided by the **Insured**, are the basis of this **Policy** and are considered as incorporated herein.

9.22 Retroactive Date

shall mean the **Retroactive Date** shown in the **Schedule**.

9.23 Schedule

shall mean the **Schedule** to this **Policy**.

9.24 Senior Counsel

shall mean a barrister in active practice who is entitled to use the post nominals of QC or SC in any one or more superior court in the Commonwealth of Australia or the Dominion of New Zealand.

9.25 Subsidiary

shall mean:

- i. any entity which by virtue of any applicable legislation or law is deemed to be a subsidiary of the **Named Insured** specified in the **Schedule**; or

- ii. any entity over which a **Named Insured** is in a position to exercise effective direction or control.

9.26 Terrorism

shall mean an act, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons, or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons including the intention to influence any government and / or to put the public, or any section of the public, in fear.

9.27 We or Us or Our

shall mean certain underwriters at Lloyd's through their coverholder **Woodina Underwriting Agency Pty Ltd**.

9.28 Woodina Underwriting Agency Pty Ltd

shall mean **Woodina Underwriting Agency Pty Ltd** ABN 24 151 854 698

Notices

The information contained in this section is general information only and does not form part of your contract with us.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the *Insurance Contracts Act 1984*, to disclose to the insurer every matter which you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate a contract of insurance.

Your duty however does not require disclosure of a matter:-

- that diminishes the risk to be undertaken by the insurer
- that is common knowledge
- that the insurer knows or, in the ordinary course of business as an insurer, ought to know
- as to which compliance with your duty is waived by the insurer.

Non-Disclosure

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

Claims Made Policy

This policy is a claims made policy of insurance. This means that the policy covers you for claims made against you and notified to the Insurer during the period of insurance. The policy does not provide cover in relation to:

- events that occurred prior to the retroactive date, if any, specified in the policy;
- claims notified or arising out of circumstances notified under any previous policy (whether made or issued by the insurer or any other insurer);
- claims made against you prior to commencement of the period of insurance;
- claims arising out of claims and circumstances noted on the proposal form for the current period of insurance or on any previous proposal form;
- subject to what is said in the next paragraph, claims made after expiry of the period of insurance even though the event giving rise to the claim may have occurred during the period of insurance.

- However, where you give notice in writing to the insurer of facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before expiry of the period of insurance, the policy will, subject to its terms and conditions, cover you notwithstanding that a claim is only made after expiry of the period of insurance.

Privacy

Woodina Underwriting is committed to protecting the privacy of the personal information you provide us. Woodina Underwriting collects, uses and retains your personal information in accordance with the National Privacy Principles.

We need to collect the personal information on the applicable proposal form to consider your application for insurance and to determine the premium (if your application is accepted) when you are applying for, changing or renewing an insurance policy with us. This information will also be used if you lodge a claim under your policy. We may also need to request additional information from you in connection with your applicable or a claim. If you do not provide us with this information, or any additional information we request, we may not be able to process your application or offer you insurance cover or respond to any claim.

We may disclose the personal information we collect:

- To our relevant employees involved in delivering our services;

- If your insurance brokers collect this form from you, to that broker;
- To facilitators such as legal firms, professional experts such as accountants, actuaries, engineers and technology experts;
- To the insurance companies with whom we transact business;
- To the Lloyd's Syndicates we represent (which are located in the United Kingdom);
- To insurance reference bureau or credit reference bureau;
- To reinsurers or reinsurance brokers (which may include reinsurers located outside of Australia).

Where we do not disclose the information as above the recipient may hold the information in accordance with its own privacy statement / policies. Those may include, by way of example, disclosing the information to and storage of that information by its associated entities which may be located overseas. We may also be required to provide your personal information to others for purposes of public safety and law enforcement and if required by law or by a law enforcement body to do so.

You may request access to your personal information, and where necessary, correct any errors in this information (some restrictions and costs may apply). If you would like to access a copy of your personal information or you wish to correct or update your personal information, please also contact us on (07) 3222 9400.

By completing and returning the proposal form and / or providing us with any additional information in connection with your application, you agree to us using and disclosing your information as set out above. This consent to the use and disclosure of your personal information remains valid unless you alter or revoke it by giving us written notice.

From time to time, we may use your personal information to send you details of new insurance products or other insurance related information that may be of interest to you. If you do not wish to receive such information, please advise us on (07) 3222 9400.

Code of Practice

This policy is compliant with the Insurance Council of Australia's General Insurance Code of Practice, apart from any claims adjusted outside of Australia. Woodina Underwriting Agency Pty Ltd and Underwriters at Lloyd's proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the general insurance industry.

A copy of the code is available from the Insurance Council of Australia's website at www.ica.com.au or from the Code's dedicated website at www.codeofpractice.com.au

Complaints Procedures

There are established procedures for dealing with complaints and disputes regarding your policy or claim.

Stage 1

Any enquiry or complaint relating to this insurance should, in the first instance, be referred to Woodina Underwriting Agency Pty Ltd – in most cases this will resolve your grievance.

We will respond to your complaint within 15 business days provided we have all necessary information and have completed any investigation required. Where further information, assessment or investigation is required, we will agree to reasonable alternative timeframes with you. You will also be kept informed of the progress of your complaint.

Stage 2

In the unlikely event that this does not resolve the matter or you are not satisfied with the way your complaint has been dealt with, you should contact:

Lloyd's Australia Limited
Level 9, 1 O'Connell St
Sydney NSW 2000
Telephone: (02) 8298 0783
Email: idraustralia@lloyds.com

Lloyd's Australia will usually require the following information:

- Name, address and telephone number of the policyholder;
- Details of the policy concerned (policy and/or claim reference numbers, etc);
- Details of the insurance intermediary through whom the policy was obtained;
- Reasons why you are dissatisfied;
- Copies of any supporting documentation you believe may assist Lloyd's Australia in addressing your dispute appropriately.

Following receipt of your complaint, you will be advised whether your matter will be handled by Lloyd's Australia or the Lloyd's Complaints team in the UK, or what other avenues are available to you:

- Where your complaint is eligible for referral to the Australian Financial Complaints Authority (AFCA), your complaint will generally be reviewed by a person at Lloyd's Australia with appropriate authority to deal with your dispute.
- Where your complaint is not eligible for referral to AFCA, Lloyd's Australia will refer your complaint to the Lloyd's Complaints team in the UK if it falls within the jurisdiction of the UK Financial Ombudsman Service. They will review your complaint and liaise directly with you.
- For all other matters you will be advised of what other avenues may be available to you.

How long will the Stage 2 process take?

Your complaint will be acknowledged in writing within 5 business days of receipt, and you will be kept informed of the progress of Lloyd's review of your complaint at least every 10 business days.

The length of time required to resolve a particular dispute will depend on the individual issues raised, however in most cases you will receive a full written response to your complaint within

15 business days of receipt, provided Lloyds' have received all necessary information and have completed any investigation required.

External Dispute Resolution

If your complaint is not resolved in a manner satisfactory to you or Lloyd's do not resolve your complaint within 45 calendar days of receiving it at Stage 1, you may refer the matter to AFCA as follows:

AFCA can be contacted by:

Post: GPO Box 3, Melbourne VIC 3001

Phone: 1800 931 678

Email: info@afca.org.au

AFCA is an independent body that operates nationally in Australia and aims to resolve disputes between you and your insurer. AFCA provides fair and independent financial services complaint resolution that is free to consumers. Your dispute must be referred to AFCA within 2 years of the date of our final decision. Determinations made by AFCA are binding upon us.

Customers not eligible for referral AFCA, may be eligible for referral to the UK Financial Ombudsman Service. Such referral must occur within 6 months of the final decision by the Complaints team at Lloyd's. Further details will be provided with their final decision to you.

How much will this procedure cost you?

This service is free of charge to policyholders.