

Chubb Forefront Portfolio Policy Wording

General Terms and Conditions

CHUBB®

General Product Information

This General Product Information ('GPI') provides general information only, and should be read in conjunction with the attached Policy document ('the Policy'). The GPI and the Policy contain important information which you should read carefully before deciding to take out any insurance cover.

Policy Terms and Conditions

The information contained in this GPI is general information only and does not form part of your¹ contract of insurance with us. The Policy is our legal contract with you and contains details covering the terms, conditions and any exclusions relating to the insurance cover to be provided by us. The GPI and the Policy are important documents so please keep them in a safe place for future reference. Should you require any further information about this or any other product, please contact your authorised financial services provider.

Duty of Disclosure

It is important that you understand you are answering our questions for yourself and anyone else that you want to be covered by the Policy.

Your duty of disclosure when entering into an insurance contract

Before you enter into an insurance contract with us, you have a duty of disclosure under the Insurance Contracts Act 1984 (Cth) to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and, if so, on what terms. This duty of disclosure applies until the contract is entered into.

Your duty of disclosure for renewing an insurance contract or entering into a subsequent insurance contract

The same duty applies until we agree to any variations, extensions, reinstatements or renewal of an insurance contract.

What you are not required to disclose

You are not required to disclose any matter:

1. That diminishes the risk to be undertaken by us;
2. That is of common knowledge;
3. That we know or should know in the ordinary course of the insurance business;
4. Where we waive your duty of disclosure.

Non disclosure and its consequences

If you fail to comply with your duty of disclosure we may be entitled to reduce the amount we would pay you if you make a claim, cancel your insurance contract, or both.

Fraudulent non disclosure and its consequences

If your non disclosure is fraudulent, we may refuse to pay your claim and treat the contract as if it never existed.

Privacy

Our Privacy Policy

Our privacy policy statement is readily available on our website at www.chubb.com/au.

Your access to your personal information

You can request access to personal information which we hold about you. Your rights to access and our rights to refuse access are set out in the Privacy Act 1988 (Cth) or any successor legislation.

The General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice (Code). The Terms of the Code require us to be open, fair and honest in our dealings with you. The Code outlines the standards by which we have agreed to deal with you in relation to the standards for our employees, authorised representatives, financial hardship, information and education and access to information. The Code aims to:

- Commit us to high standards of service.
- Promote more informed relations between you and us.
- Promote trust and confidence in the insurance industry.

For more information and a copy of the Code please visit the Insurance Council of Australia's website at www.codeofpractice.com.au or www.insurancecouncil.com.au

If your policy, or a part of your package policy, provides cover on a claims made or claims made and notified basis, the following two sections will apply, but not otherwise.

Claims-Made and Claims-Made and Notified Coverages

These coverages apply only to claims that are either first made against you during the period of insurance or both first made against you and notified to us in writing before the expiration of the period of the insurance cover provided by the Policy. If your Policy does not have a continuity of cover provision or provide retrospective cover then your Policy may not provide insurance cover in relation to events that occurred before the contract was entered into.

Notification of Facts That Might Give Rise to a Claim

Section 40(3) of the Insurance Contracts Act 1984 only applies to the claims-made and the claims-made and notified coverages available under the Policy.

Pursuant to Section 40(3) of the Insurance Contracts Act 1984, and only pursuant to that section, if you give notice in writing to us of facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of such facts but before the insurance cover provided by the Policy expires, then we are not relieved of liability under the Policy in respect of the claim, when made, by reason only that it was made after the expiration of the period of the insurance cover provided by the Policy.

Complaint Resolution

Chubb has a Complaints handling and Dispute Resolution processes in place. We aim to respond to a complaint or to a dispute within 15 business days once we have all necessary information and have completed any investigation that may be needed.

If we cannot respond within 15 business days, we will let you know as soon as practicable within the 15 business day time frame, and nominate a reasonable alternative time. When doing this we will attempt where possible to meet any reasonable time requirements you express.

We will keep you informed about the progress of your complaint or dispute every 10 business days until we have responded to you on it.

Should you wish to make a complaint, you can contact us in the following ways:

By phone: 02 9335 3200

By mail: Complaints Chairman,

Grosvenor Place, Level 38, 225 George Street Sydney, NSW, 2000

By email: aus.complaints@chubb.com

If you feel our response does not resolve your complaint you may tell us and ask us to treat it as a dispute. It will then be independently reviewed by our Internal Dispute Resolution Panel comprising employees with appropriate experience, knowledge and authority who have not been involved in the matter before.

Insurance Council of Australia

Where we cannot provide you with insurance cover, we will refer you to the Insurance Council of Australia (the ICA) for information about alternative insurance options (unless you already have someone acting on your behalf). The ICA has established a referral service called 'Find an Insurer'. Information on finding alternative insurers can be found at www.findaninsurer.com.au.

Financial Claims Scheme

This Policy may be a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and third parties in the event of insurers becoming insolvent. In the unlikely event of Chubb becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria. APRA is responsible for the administration of the FCS. Contact APRA at www.apra.gov.au or 1300 558 849.

The Policy is issued by Chubb Insurance Australia Limited ABN 23 001 642 020 AFSL 239687.

Our website can be visited at www.chubb.com/au.

1 November 2016

Declarations

Chubb Insurance Australia Limited
 ABN 23 001 642 020 AFSL 239687

Herein called the Company

Item 1. **Principal Organisation:**

Item 2. **Policy Period:**

From 4:00 pm on

To 4:00 pm on

Local time at the address shown in Item 1.

Item 3. A Combined Maximum Limit of Liability for the **Liability Coverage Sections:**

Yes: Combined Maximum Limit of Liability for the **Liability Coverage Sections:** \$

No: No Combined Maximum Limit of Liability for the **Liability Coverage Sections**

Item 4. Coverage is only available for the following if indicated by X:

Policy Number

Directors & Officers Liability Coverage Section

Employment Practices Liability Coverage Section

Miscellaneous Professional Liability Coverage Section

Trustees Liability Coverage Section

Internet Liability Coverage Section

Statutory Liability Coverage Section

Crime Coverage Section

Kidnap, Ransom and Extortion Coverage Section

Item 5. Extended Reporting Period: (a) 100% of annual premium for an additional 365 days; or
 (b) Nil additional premium for 90 days

Item 6. Endorsement(s) Effective at Inception:

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

_____ Date

_____ Authorised Employee

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:

I. Terms and Conditions

Except for these General Terms and Conditions or unless stated to the contrary in any **Coverage Section**, the terms and conditions of each **Coverage Section** apply only to that **Coverage Section**. The General Definitions apply to all **Coverage Sections** in addition to any specific definitions that may apply in each **Coverage Section**. If any provision in these General Terms and Conditions is inconsistent or in conflict with the terms and conditions of any **Coverage Section**, the terms and conditions of such **Coverage Section** shall control for purposes of that **Coverage Section**. Any words in bold print in these General terms and Conditions not defined herein shall have the meaning indicated in the definitions section of the relevant **Coverage Section**.

II. General Definitions

Anniversary Date means that date and time exactly twelve (12) months after the date and time set forth in Item 2 of the Declarations, and each succeeding date and time exactly twelve (12) months after the previous **Anniversary Date**.

Claim shall have the meaning ascribed to that term in the relevant **Liability Coverage Section**.

Coverage Event means the event or loss which must occur, be sustained or discovered in order to invoke coverage under each **Non-Liability Coverage Section**.

Coverage Section means the **Liability Coverage Sections** and the **Non-Liability Coverage Sections** or any one of them as appropriate.

Defence Costs shall have the meaning ascribed to that term in the relevant **Liability Coverage Section**.

Director means any person who:

- (a) is appointed to the position of a director; or is appointed to the position of an alternate director and is acting in that capacity; regardless of the name that is given to their position;
- (b) is not validly appointed as a director if they act in the position of a director; or the directors of the company are accustomed to act in accordance with such person's instructions or wishes (excluding advice given by the person in the performance of functions attaching to his professional capacity or his business relationship with the directors of a corporation).

Director shall include any equivalent position in any jurisdiction.

Domestic Partner means natural person qualifying as a domestic partner of, or being in a similar relationship to, an **Insured Person** under the provisions of any applicable law or under the provisions of any formal program established by an **Organisation**.

Event means:

- (a) the **Principal Organisation** merging into or consolidating with another organisation such that the **Principal Organisation** becomes a subsidiary of the other organisation;
- (b) another organisation acquiring the business or assets of the **Principal Organisation**; or
- (c) another organisation or 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 issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

External Administrator means any liquidator, receiver, receiver and manager, administrator, controller or holder of similar office or position in any jurisdiction whether appointed under the provisions of Part 5 of the Corporations Act 2001 (Cth) or any other law anywhere in the world or pursuant to the provisions of any contract or other instrument.

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.

Insured shall have the meaning ascribed to that term in each **Coverage Section**.

Insured Person shall have the meaning ascribed to that term in each **Coverage Section**. Solely with respect to any **Liability Coverage Section**, coverage for an **Insured Person** shall also include:

- (a) the lawful spouse or **Domestic Partner** of an **Insured Person**, solely by reason of such person's status as a spouse or **Domestic Partner** or such spouse's or **Domestic Partner's** ownership interest in property which the claimant seeks as recovery for an alleged **Wrongful Act** of such **Insured Person**; or
- (b) the estate, heirs, legal representatives or assigns of an **Insured Person** who is deceased or against the legal representatives or assigns of an **Insured Person** who is under a legal disability by reason of mental incapacity or is insolvent or bankrupt.

All provisions of the relevant **Liability Coverage Section**, including without limitation the Deductible Amounts, that are applicable to **Loss** incurred by the **Insured Person** shall also apply to loss incurred by the estate, heirs, legal representatives, assigns, spouse and/or **Domestic Partner** of such **Insured Person**. The coverage provided by this Extension shall not apply with respect to any loss arising from an act or omission by an **Insured Person's** estate, heirs, legal representatives, assigns, spouse or **Domestic Partner**.

Liability Coverage Section means the Directors & Officers Liability, Employment Practices Liability, Miscellaneous Professional Liability, Trustees Liability, Statutory Liability and Internet Liability **Coverage Sections** of this policy, if purchased, as set forth in Item 4 of the Declarations.

Loss:

- (a) with respect to any **Liability Coverage Section**, shall have the meaning ascribed to that term in such **Coverage Section**; or
- (b) with respect to any **Non-Liability Coverage Section**, means the total amount covered under such **Coverage Section** as a result of any **Coverage Event**.

Non-Liability Coverage Section means the Crime and Kidnap, Ransom and Extortion **Coverage Sections** of this policy, if purchased, as set forth in Item 4 of the Declarations.

Officer means any:

- (a) company secretary;
- (b) person:
 - (i) who makes, or participates in making decisions that affect the whole, or a substantial part of the business of a corporation;
 - (ii) who has the capacity to affect significantly a corporation's financial standing;
 - (iii) in accordance with whose instructions or wishes the directors of a corporation are accustomed to act (excluding advice given by the person in the performance of functions attaching to his professional capacity or his business relationship with the directors of a corporation).

Officer shall include any equivalent position in any jurisdiction.

Organisation means, collectively, the **Principal Organisation** and any **Subsidiary**, or any one of them.

Policy Period means the period of time set forth in Item 2 of the Declarations, subject to any prior termination in accordance with the Termination of Policy Section.

Policy Year means the period, within the **Policy Period**, from the date and time set forth in Item 2 of the Declarations to the first **Anniversary Date**, or the period from an **Anniversary Date** to its next succeeding **Anniversary Date**, subject to any prior termination as set forth in the Termination of Policy section.

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.

Pollution means any actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, escape, treatment, removal or disposal of any **Pollutants**; or any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request, including but not limited to any claim for loss to an **Organisation** or an **Outside Entity**, the holders of its securities or its creditors based upon, arising from, or in consequence of the matters described above.

Principal Organisation means the organisation designated in Item 1 of the Declarations.

Proposal means all proposals, including attachments and materials incorporated therein, submitted by, or information disclosed by the **Insureds** 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. All such proposals, attachments and materials are deemed attached to, incorporated into and made a part of this policy.

Related Claims means all **Claims** based upon, arising from, or in consequence of the same or related **Wrongful Acts**, facts or circumstances or the same or related series of **Wrongful Acts**, facts or circumstances.

Subsidiary means;

- (a) With respect to the **Liability Coverage Sections**; at the time of the occurrence of a **Wrongful Act**, or the commencement of a **Formal Investigation**, any organisation in which one or more **Organisations**:
- (i) control the composition of the organisation's board;
 - (ii) is 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 organisation; or
 - (iii) holds more than fifty percent (50%) of the issued share capital of the organisation (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).
- Subsidiary** shall include any incorporated joint venture or company over which an **Organisation** exercises effective management control.
- (b) With respect to the **Non- Liability Coverage Sections**; **Subsidiary** shall have the meaning ascribed to that term in each **Coverage Section**.

U.S.A means the United States of America and any territory under its jurisdiction.

III. Territory, Choice of Law and Jurisdiction

Other than with respect to the **Non Liability Coverage Section** or the Statutory Liability Coverage Section, coverage shall extend anywhere in the world.

This policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit the Company, its parent company or its ultimate controlling entity from providing the insurance.

The construction and enforcement of the provisions of this policy shall be determined in accordance with and governed by the law of Australia. Except as provided for in the Allocation Section, any disputes relating to the construction and enforcement of the provisions of this policy shall be submitted to the exclusive jurisdiction of the Australian courts.

IV. Bilateral Extended Reporting Period

If any **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 **Event** 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** within which to report any **Claims** first made during such 365 day period; or
- (b) if the 365 day Extended Reporting Period is not purchased, to an Extended Reporting Period of 90 days within which to report any **Claims** that are first made during such 90 day period. There is no additional premium payable for such 90 day Extended Reporting Period;

but only to the extent such **Claims** are for **Wrongful Acts** occurring prior to, and **Formal Investigations** into conduct occurring prior to, the effective date of termination or non renewal.

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

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

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.

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

V. Limit of Liability

(A) Solely with respect to all **Liability Coverage Sections**:

- (1) The Company's maximum liability for all **Loss** under the applicable **Liability Coverage Section** on account of any **Claim** first made during the same **Policy Period** shall be the Limit of Liability set forth in the Schedule for the applicable **Liability Coverage Section**. If a **Loss** is covered under more than one **Liability Coverage Section**, then the Limit of Liability for all **Loss** set forth in the Schedule to the applicable **Liability Coverage Section** shall apply to such **Loss**, subject to paragraph (2) of this Section.
- (2) If the Combined Maximum Aggregate Limit of Liability set forth in Item 3 of the Declarations to the General Terms and Conditions is elected, the Company's maximum liability for all **Loss** under all **Liability Coverage Sections** on account of all **Claims** first made during the same **Policy Period**, whether covered under one or more **Liability Coverage Sections**, shall be the Combined Maximum Limit of Liability for each **Policy Period** set forth in Item 3 of the Declarations for these General Terms and Conditions.
- (3) If the Combined Maximum Aggregate Limit of Liability set forth in Item 3 of the Declarations to the General Terms and Conditions is not elected, the Company's maximum liability for all **Loss** under each **Liability Coverage Sections** on account of all **Claims** first made during the same **Policy Period**, whether covered under one or more **Liability Coverage Sections**, shall be the Limit of Liability set forth in the Schedule of each applicable **Liability Coverage Section**.
- (4) **Defence Costs** are part of and not in addition to the applicable maximum Limit of Liability as set forth in the Schedule for each applicable **Liability Coverage Section**; the payment by the Company of **Defence Costs** erodes such Limits of Liability.
- (5) All **Related Claims** shall be treated as a single **Claim** made when the earliest of such **Related Claims** was first made, or when the earliest of such **Related Claims** is treated as having been made in accordance with the Reporting Section (A) (2) and (3), regardless of whether such date is before or during the **Policy Period**.

(B) Solely with respect to each **Non-Liability Coverage Section**, the Company's maximum liability shall be the respective Limits of Liability set forth in the Schedule for each applicable **Non-Liability Coverage Section**.

VI. Deductible

The Company's liability under this policy shall apply only to that part of each **Loss** or **Coverage Event** which is in excess of the applicable Deductible Amount set forth in the Schedule for each applicable **Liability Coverage Section** or **Non-Liability Coverage Section**, and such Deductible Amount shall be borne by the **Insureds** uninsured and at their own risk.

If a single **Loss** is covered by more than one **Coverage Section** and if more than one Deductible applies to such **Loss**, the applicable Deductibles shall be applied separately to each **Loss** but the sum of such Deductibles shall not exceed the largest applicable Deductible.

VII. Reporting

(A) Solely with respect to any **Liability Coverage Section**:

- (1) The **Insureds** shall give to the Company written notice of any **Claim** as soon as practicable and, in any event, no later than the expiration of any Extended Reporting Period, if granted by the Company.
- (2) If during the **Policy Period**, or any applicable Extended Reporting Period (if granted), an **Insured** becomes aware of circumstances which could give rise to a **Claim** and gives written notice of such circumstances to the Company then any **Claim** subsequently arising from such circumstances shall be considered to have been made during the **Policy Year** or Extended Reporting Period in which the circumstances were first reported to the Company.
- (3) Each **Insured** shall give to the Company such information and co-operation as it may reasonably require, including but not limited to a description of the **Claim**, **Potential Employment Claim** or **Potential Third Party Claim** or circumstances, the nature of the alleged **Wrongful Act**, the nature of the alleged or potential loss, the names of actual or potential claimants, and the manner in which such **Insured** first became aware of the **Claim** or circumstances.
- (4) Solely with respect to **Crisis Expenses**, the **Insured** shall give to the Company written notice of any event for which **Crisis Expenses** may be incurred as soon as practicable. Such notice shall include a description of the event. The Company and its employees and representatives shall maintain as confidential and shall not disclose such information or otherwise use such information except as required in the Company's ordinary course of business.

- (B) Solely with respect to the Employment Practices Coverage Section, if during the **Policy Period** any **Insured**:
- (1) becomes aware of a **Potential Employment Claim** or **Potential Third Party Claim** and gives written notice of such **Potential Employment Claim** or **Potential Third Party Claim** to the Company as soon as practicable during the **Policy Period**; and
 - (2) requests coverage for any **Employment Claim** or **Third Party Claim** subsequently resulting from such **Potential Employment Claim** or **Potential Third Party Claim**;
- then any **Employment Claim** or **Third Party Claim** subsequently arising from such **Potential Employment Claim** or **Potential Third Party Claim** shall be deemed to have been first made against the **Insured** during the **Policy Period** in which the written notice was first given by an **Insured** to the Company.
- (C) Solely with respect to any **Non-Liability Coverage Section**, reporting of a **Coverage Event** shall be in accordance with the applicable Discovery, Proof of Loss and Legal Proceedings Sections of each **Coverage Section**.

VIII. Notice

Any notice to the Company with respect to any **Coverage Section** shall designate the **Coverage Section** under which the notice is being given and shall be treated as notice under only the **Coverage Section** so designated.

All notices to the Company under this Policy shall be given in writing addressed to:

Chubb Insurance Australia Limited
ABN: 23 001 642 020 AFSL: 239687

Grosvenor Place
Level 38, 225 George Street
Sydney NSW 2000
O +61 2 9335 3200
F +61 2 9335 3411
www.chubb.com/au

Email: aus.financiallinesclaims@chubb.com

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

IX. Defence

- (A) Solely with respect to any **Liability Coverage Section**:
- (1) The Company shall have the right and duty to defend any **Claim** covered by this policy. The Company's duty to defend any **Claim** shall cease upon exhaustion of the applicable Limit of Liability or it is determined that coverage is not available under the applicable **Liability Coverage Section**.
 - (2) An **Insured** shall have the right to associate with the Company in the defence of any **Claim**, including but not limited to negotiating a settlement, subject to the provisions of this section.
 - (3) The Company may make any investigation it deems necessary and may, with the consent of the **Insured**, make any settlement of any **Claim** it deems expedient. If such **Insured** withholds consent to any settlement acceptable to the claimant in accordance with the Company's recommendation, then the Company's liability for all **Loss** on account of such **Claim** shall not exceed the amount for which the Company could have settled such **Claim** plus costs, charges and expenses accrued as of the date such settlement was proposed in writing by the Company to such **Insured**.
 - (4) Each **Insured** agrees not to settle, or convey any offer of settlement to any claimant with regard to, any **Claim**, incur any **Defence Costs** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall not be liable for any **Defence Costs**, any other element of **Loss** incurred, any obligation assumed or any admission made by any **Insured** without the Company's prior written consent.
 - (5) 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 with respect to such **Claim** has been exhausted by the payment of **Loss** or it is determined that coverage is not available under the applicable **Liability Coverage Section**. If the Limit of Liability is exhausted by the payment of **Loss** prior to the expiration of this policy, then the policy premium will be deemed fully earned.

(B) With respect to all **Coverage Sections**:

Each **Insured** agrees to provide the Company with all information, assistance and co-operation which the Company reasonably requires including, without limitation, for the purposes of any investigation the Company makes, in its absolute discretion.

Each **Insured** agrees that such **Insured** will do nothing that may prejudice the Company's position or its potential or actual rights of recovery.

X. Allocation(A) Where a **Claim**:

- (1) includes both matters covered and matters that are not covered by any **Liability Coverage Section**; or
- (2) is made against a person or organisation other than an **Insured Person** or an **Organisation** where relevant, then coverage shall apply as follows:
 - (a) with respect to **Defence Costs** only: one hundred per cent (100%) of reasonable **Defence Costs** incurred by an **Insured**; and
 - (b) with respect to other loss: the Company and the **Insured** shall allocate all remaining amounts incurred by or on behalf of an **Insured**:
 - (i) based upon the relative legal and financial exposures of an **Insured Person** or an **Organisation** where relevant to matters covered and matters not covered by the relevant **Liability Coverage Section**; and
 - (ii) in the case of a settlement in such **Claim**, based also on the relative benefits of such settlement to an **Insured Person** and an **Organisation**.

If the Company and the **Insured** cannot agree on an allocation of **Loss** other than **Defence Costs** the Company, if requested by the **Insured**, 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.

XI. Acquisition or Creation of Another Organisation(A) If an **Organisation** during the **Policy Period**:

- (1) acquires securities or voting rights in another organisation or creates another organisation which as a result of such acquisition or creation becomes a **Subsidiary**; or
- (2) acquires any organisation by merger into or consolidation with itself such that the **Organisation** is the holding company,

then such other organisation and the **Insureds** in relation thereto shall be **Insureds** under this policy:

- (a) solely for **Wrongful Acts** occurring after the effective date of such acquisition or creation, with respect to all **Liability Coverage Sections**; or
- (b) solely for loss sustained after the effective date of such acquisition or creation, with respect to all **Non-Liability Coverage Sections**.

(B) However, if such acquired or created organisation:

- (1) has total consolidated assets that increase the total consolidated assets 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
- (2) is located, incorporated, domiciled or operates in, or has securities listed on any exchange in the **U.S.A.**,

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 (60) 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 the time specified in the preceding sentence, coverage for such acquired or created organisation 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 of this policy including charging an additional premium.

- (C) 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 of this policy including charging an additional premium.

XII. Cessation of Subsidiaries

If any organisation ceases to be a **Subsidiary**, before or after the inception date of this policy, then with respect to any:

- (A) **Liability Coverage Section**, coverage under this policy shall continue for such **Subsidiary** and the **Insureds** 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) **Non-Liability Coverage Section**, such **Subsidiary** and the **Insureds** 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 **Non-Liability Coverage Section**.

XIII. Conversion of Coverage

If, during the **Policy Period**, an **Event** occurs, then coverage under this policy shall, with respect to:

- (A) any **Liability Coverage Section**, 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 **Event**.
- (B) the **Non-Liability Coverage Sections**, terminate.

Where the **Organisation's** board of directors at the time of the **Event** remains in control after the **Event** 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.

The **Principal Organisation** shall give written notice of such **Event** to the Company as soon as practicable, but in no event later than sixty (60) days, after the date of such **Event** together with such information as the Company may require. 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 **Event**. 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.

Any extension of cover purchased by the **Principal Organisation** pursuant to this section shall commence at the expiration of the cover provided for in Section XIII (A) above.

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.

XIV. Non Avoidance

With respect to the **Liability Coverage Section** only:

The **Proposal** shall be construed as a separate proposal for coverage for each **Insured**. No statement, representation or information provided in the **Proposal** by an **Insured** or knowledge possessed by such **Insured** shall be imputed to any other **Insured** for the purpose of determining if coverage is available under the relevant **Coverage Section**.

The Company shall not avoid the relevant **Coverage Section** with respect to any **Insured**.

In the event of fraudulent misrepresentation or fraudulent non-disclosure at the time the relevant **Coverage Section** was entered into (a) by an **Insured Person** or, (b) with respect to any **Claim** under Insuring Clause 1.D of the Directors' and Officers' **Liability Coverage Section** or any of the other **Liability Coverage Sections**, by any chairman, managing director, chief executive officer, chief operating officer, chief financial officer, or the holder of any equivalent position in any jurisdiction of an **Organisation**, then the Company shall have the rights available to it in accordance with section 28(3) of the Insurance Contracts Act 1984 (Cth), as amended, with respect to any **Loss** on account of a **Claim** made against such **Insured** based upon, arising from or in consequence of the fraudulent misrepresentation or fraudulent non-disclosure.

In the event of misrepresentation or non disclosure, other than fraudulent misrepresentation or non-disclosure, the Company waives all rights available to it pursuant to section 28(3) of the Insurance Contracts Act 1984 (Cth), as amended.

XV. Valuation and Foreign Currency

All premiums, limits, deductibles, **Loss** and other amounts under this policy are expressed and payable in Australian currency. If judgment is rendered, settlement is denominated, or any element of **Loss** is stated in a currency other than Australian dollars, then payment under this policy shall be made in Australian 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.

XVI. Subrogation

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, and such **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**.

XVII. Recoveries

Solely with respect to all **Non-Liability Coverage Section**:

Recoveries with respect to any loss, whether effected by the Company, the **Principal Organisation** or any **Organisation**, less the cost of recovery, shall be distributed as follows;

- (A) first, to the **Principal Organisation** for the amount of such loss, otherwise covered, in excess of the Limit of Liability;
- (B) second, to the Company for the amount of such loss paid to the **Principal Organisation** as covered loss;
- (C) third, to the **Principal Organisation** for the Deductible Amount applicable to such loss;
- (D) fourth, to the **Principal Organisation** for the amount of such loss excluded under this Coverage Section.

Recovery by the Company from reinsurance or indemnity shall not be deemed a recovery hereunder.

XVIII. Authorisation

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: the giving and receiving of notice of **Claim** or termination, the payment of premiums and the receiving of any return premiums that may become due under this policy, 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), the adjustment of loss amounts and the receipt of payment of loss. The **Principal Organisation** agrees that it shall be responsible for the application of any such payment as provided in this policy. Each **Insured** agrees that the **Principal Organisation** shall act on their behalf with respect to all such matters.

XIX. 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 an Authorised Employee of the Company.

XX. Termination of Policy

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 in accordance with the Insurance Contracts Act 1984, as amended, except in the case of termination for nonpayment 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 any event described in the Conversion of Coverage Section;
- (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**.

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.

XXI. Bankruptcy

The bankruptcy, winding up, receivership or insolvency of an **Insured** or the estate of an **Insured** shall not relieve the Company of its obligations nor deprive the Company of its rights under this policy.

XXII. Policy Construction

In this policy:

- (A) the title and any headings or sub-headings are solely for convenience and form no part of the terms and conditions of coverage;
- (B) the Declarations to these General Terms and Conditions and the Schedule to each **Coverage Section** are part of and form an integral part of this policy;
- (C) references to a section refer to a section in the General Terms and Conditions or the relevant Coverage Section, and references to a Schedule refers to the Schedule to the relevant **Coverage Section**;
- (D) the singular includes the plural and the plural includes the singular, unless otherwise indicated;
- (E) a reference to this policy includes these General Terms and Conditions and each **Coverage Section** unless otherwise indicated; and
- (F) a reference to one gender includes the other gender.

XXIII. Other Insurance

To the extent that any **Loss** is insured under:

- (A) those policies listed in the **Proposal**; or
- (B) any other policy,

then to the extent to which it is permitted by the Insurance Contracts Act 1984 (Cth), as amended, coverage is only provided under this policy subject to its terms and conditions for such **Loss** excess of the coverage provided by any of the policies referred to in (A) or (B) above. The **Insured** agrees to provide the Company all details of any excess policies effected once they become known to them.

If the Company or any of its subsidiaries or affiliated companies makes payment under a policy or coverage section referred to in (A) or (B) above on account of any **Claim** also covered under this policy, the Limit of Liability for this policy with respect to such **Claim** shall be reduced by the amount of such payment.

The Company's liability under the Kidnap/Ransom & Extortion Coverage Section for any loss of personal assets covered under the Personal Assets Section of that section, other than 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.

XXIV. Conformance with Local Laws

The provisions of this policy shall be read subject to any laws governing the construction of this policy. If any provision of this policy is inconsistent with such laws then:

- (A) where such provision can be read so as to give it a valid and enforceable operation of a partial nature it shall be read to the extent necessary to achieve that result;
- (B) in any other case such provision shall be severed from this policy in which event the remaining provisions shall operate as if the severed provision had not been included.

XXV. GST - Basis of Settlement

If any **Insured** is entitled to an input tax credit for the premium paid in consideration of the Company's issuance of this policy, then such **Insured** must inform the Company of the extent of that entitlement at or before the time a **Claim** is made under this policy. The Company shall not be liable for **Loss** based upon, arising from, or in consequence of any **Insured's** misstatement of, or failure to inform the Company of, the extent of its entitlement to an input tax credit for the premium.

The Deductible borne by the **Insured** under the policy shall be net of any input tax credit that is or may be available in connection with the **Insured's** payment of loss falling within such Deductible.

XXVI. 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:

- (A) they are required by law to do so; or
- (B) the company consents, in writing, to such disclosure.

XXVII. Continuity of Cover

Solely with respect to any **Liability Coverage Section**:

Notwithstanding the **Pending and Prior Exclusion** found in each **Coverage Section**, coverage is provided for **Claims** or circumstances which could or should have been notified under any policy or coverage section of which this policy is a renewal or replacement or which it may succeed in time provided always that:

- (A) the **Claim** or circumstance could and should have been notified after the pending or Prior Date set forth in the Schedule to the relevant **Coverage Section**;
- (B) the Company has continued to be the insurer under such previous policy or coverage section without interruption; and
- (C) the cover provided by this section shall be in accordance with all the terms and conditions (including for the avoidance of doubt, the limit of liability and deductible amounts) of the policy or coverage section under which the **Claim** or circumstance could and should have been notified.

**Forefront Portfolio
Policy Wording**

**Directors and Officers Liability
Coverage Section**

CHUBB®

Schedule

Chubb Insurance Australia Limited
 ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES CLAIMS MADE COVERAGE WHICH APPLIES ONLY TO 'CLAIMS' FIRST MADE DURING THE 'POLICY PERIOD', OR ANY EXTENDED REPORTING PERIOD

Item 1. Limit of Liability for this **Coverage Section**:

- (a) Each **Loss** \$
- (b) Each **Policy Period** \$

Fines and Penalties

- Sub limit: (a) Each **Loss** \$
- (b) Each **Policy Period** \$

Occupational Health and Safety Corporate Manslaughter Costs or Expenses

- Sub limit: (c) Each **Loss** \$
- (d) Each **Policy Period** \$

Pollution Defence Costs

- Sub limit: (e) Each **Loss** \$
- (f) Each **Policy Period** \$

Crisis Expenses

- Sub limit: (g) Each **Loss** \$
- (h) Each **Policy Period** \$

Prosecution and Reputation Protection Costs

- Sub limit: (i) Each **Loss** \$
- (j) Each **Policy Period** \$

Insured Person's Tax Liability and Superannuation Liability

- Sub limit: (k) Each **Loss** \$
- (l) Each **Policy Period** \$

Tax Investigation and Audit Expenses

- Sub limit: (m) Each **Loss** \$
- (n) Each **Policy Period** \$

Attendance Compensation

- Sub limit: (o) Each **Loss** \$ per day
- (p) Each **Policy Period** \$

Dedicated Additional Limit of Liability for **Directors and Officers** \$

Item 2. Deductibles:

- (i) Insuring Clause (A) \$
- (ii) Insuring Clause (B) \$
- (iii) Insuring Clause (C) \$
- (iv) Insuring Clause (D) \$

Item 3. Pending and Prior Litigation Dates:

- (i) Insuring Clause (A)
- (ii) Insuring Clause (B)
- (iii) Insuring Clause (C)
- (iv) Insuring Clause (D)

Item 4. Endorsement(s) Effective at Inception:

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:

I. Insuring Clauses

A. D&O Liability Coverage

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** or, if exercised, during the Extended Reporting Period, for a **Wrongful Act** occurring before or during the **Policy Period**

B. Organisation Reimbursement Coverage

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** or, if exercised, during the Extended Reporting Period, for a **Wrongful Act** occurring before or during the **Policy Period**.

C. Legal Representation Expenses

The Company shall pay, on behalf of each **Insured Person**, **Legal Representation Expenses** on account of any **Formal Investigation** identifying such **Insured Person** in writing and notified to such **Insured Person** or the **Organisation** during the **Policy Period**, or if exercised, during the Extended Reporting Period.

D. Organisation Liability Coverage

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

II. Extensions

A. Advancement of Costs and Expenses

The Company shall, prior to the final disposition of any **D&O Claim** or **Organisation Claim**, advance **Defence Costs**, **Legal Representation Expenses**, **Prosecution and Reputation Protection Costs** or **Crisis Expenses** within thirty (30) days of receipt of an invoice for same.

Any advancement of **Defence Costs**, **Legal Representation Expenses**, **Prosecution and Reputation Protection Costs** or **Crisis Expenses** 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**, **Legal Representation Expenses**, **Prosecution and Reputation Protection Costs** or **Crisis Expenses** are not insured under this **Coverage Section**.

B. Fines and Penalties

Coverage shall extend to **Fines and Penalties** up to the amount of the sub limit set forth in item 1 of the Schedule on account of any **D&O Claim**. The Company's maximum liability under this Extension shall not exceed the Limit set forth in Item 1.

C. Outside Directorship

Coverage shall extend to any **D&O Claim** on account of an **Outside Directorship**.

Coverage for any **Outside Entity** shall:

- (i) not be available to the **Outside Entity** in which such **Outside Directorship** is held or to any of the other directors, officers or employees of such **Outside Entity**.
- (ii) 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.

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 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 Schedule shall be paid by the **Organisation** to the Company. No Deductible Amount shall apply in the event of **Financial Impairment**

If during the **Policy Period** coverage is sought for any **Outside Directorship** that is not an **Outside Entity** such coverage shall apply to such **Outside Directorship** for a period of ninety (90) days from the date of commencement of such **Outside Directorship**. Coverage for such **Outside Directorship** shall terminate ninety (90) days after the date of commencement of such **Outside Directorship** unless the Company accepts in writing such **Outside Directorship**. Coverage for any additional **Outside Directorship** that is not an **Outside Entity** is subject to all limitations, conditions, provisions and other terms of this **Coverage Section**.

If any **D&O Claim** made against an **Insured Person** due to an **Outside Directorship** is insured under any other policy issued by the Company, its parent, a subsidiary or affiliate, then payment under such policy on account of an **D&O Claim** also covered under this **Coverage Section** shall reduce by the amount of the payment, the Company's Limit of Liability under this policy with respect to such **D&O Claim**.

For the avoidance of doubt and subject to the other terms and conditions of this policy, cover under the Legal Representation Expenses Insuring Clause, is extended to cover **Loss** on account of a **D&O Claim** arising out of an **Outside Directorship**.

D. Occupational Health and Safety Corporate Manslaughter Costs or Expenses

Notwithstanding the **Bodily Injury/Property Damage** Exclusion, coverage shall extend to **Defence Costs, Prosecution and Reputation Protection Costs** or **Crisis Expenses** on account of any **D&O Claim**, any **Organisation Claim** or **Legal Representation Expenses** 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. The Company's maximum liability under this Extension shall not exceed the Limit as set forth in Item 1 of the Schedule.

E. Pollution Defence Costs

Notwithstanding the **Pollution** Exclusion, coverage shall extend to **Defence Costs** on account of any **D&O Claim** in respect of **Pollution** up to the amount of the sub limit in Item 1 of the Schedule, provided such **D&O Claim** is brought and maintained entirely outside the **U.S.A.**

F. Retired Directors or Officers

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 that no **Event** or **Financial Impairment** has occurred, **Retired Directors** or **Officers** shall have the right to an Extended Reporting Period of eighty-four (84) months within which to report 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** occurring prior to, and **Formal Investigations** into conduct occurring prior to the effective date of termination or non-renewal. Any **D&O Claim** made during the Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**. There is no additional premium payable for such Extended Reporting Period in respect of any **Retired Director** or **Officer**.

G. Dedicated Additional Limit of Liability For Directors or Officers

Notwithstanding anything to the contrary in the section headed Limit of Liability in the General Terms and Conditions (but otherwise subject to all applicable terms and conditions), the Company shall pay under this Extension only, on behalf of any **Director** or **Officer**, **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**, or, if exercised, during the Extended Reporting Period, for a **Wrongful Act** occurring and **Formal Investigation** into conduct occurring before or during the **Policy Period**.

The Company's maximum liability under this Extension shall not exceed the aggregate as set forth in Item 1 of the Schedule inclusive of all **Loss** in respect of all **D&O Claims** against all **Directors** or **Officers**. The limit set forth in Item 1. of the Schedule is in addition to and does not reduce the Limits of Liability set forth in Item 1 of the Schedule.

The Dedicated Additional Limit of Liability for **Directors** or **Officers** shall be excess of the Limit of Liability for this **Coverage Section** as set forth in Item 1 and excess of any insurance available that is specifically excess of this **Coverage Section**. The Limit of Liability for this **Coverage Section** and any excess insurance must be completely exhausted by payment of loss, damages or defence costs there under before the Company shall have any obligation to make payment on account of the Dedicated Additional Limit of Liability for **Directors** or **Officers**. 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. No Deductible Amount applies to this Extension.

H. Emergency Costs and Expenses

If, because of an emergency, the Company's prior written consent to any **Defence Costs, Legal Representation Expenses, Prosecution and Reputation Protection Costs** or **Crisis Expenses** cannot be requested, can be incurred without that consent 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.

I. Crisis Expenses

Coverage shall extend to **Crisis Expenses** up to the amount of the sub limit in Item 1 of the Schedule. No Deductible Amount applies to this extension.

The Company shall not be liable for any **Crisis Expenses** incurred prior to, or more than 180 days after the date written notice of any event for which such **Crisis Expenses** may be incurred is first given to the Company.

J. Prosecution and Reputation Protection Costs

Coverage shall extend to **Prosecution and Reputation Protection Costs** up to the amount of the sub limit set forth in Item 1 of the Schedule. No Deductible Amount applies to this Extension.

K. Insured Person's Tax Liability and Superannuation Liability

Coverage shall extend to **Tax Liability** and/or **Superannuation Liability** for which the **Insured Person** is not **indemnifiable** by an **Organisation** on account of any **D&O Claim** up to the amount of the sub limit set forth in Item 1 of the Schedule.

L. Tax Investigation and Audit Expenses

Coverage shall extend to **Tax Investigation and Audit Expenses** on account of any **Organisation Claim** first made during the **Policy Year** up to the amount of the sub limit set forth in Item 1 of the Schedule.

M. Compensation for Court Attendance and Staff Disruption

Coverage shall extend to **Attendance Compensation** on account of any **Attendance** of an **Insured Person** during the **Policy Year**, up to the amount of the sub limit in Item 1 of the Schedule.

Cover as set forth in the above extensions is subject to all the provisions of this **Coverage Section** unless stated otherwise.

III. Definitions

When used in bold type in this **Coverage Section**:

Attendance means the attendance of an **Insured Person**:

- (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 the attendance is in connection with a **Claim**.

Attendance Compensation means the amount which the Company pays on behalf of an **Organisation** as set forth in Item 1 of the Schedule.

Bail Bond and Civil Bond 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.

Claim means for purposes of coverage under:

- (a) Insuring Clauses (A) and (B): any **D&O Claim**;
- (b) Insuring Clause (C): any **Formal Investigation**; and

(c) Insuring Clause (D), any **Organisation Claim**.

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) incurred by an **Organisation**, with the Company's prior written consent (which shall not be unreasonably withheld), 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 (a) the announcement or commencement of any **Claim**; and/or (b) 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.

D&O Claim means, with respect to Insuring Clauses (A), and (B) only:

- (a) a written demand for monetary damages, non-pecuniary relief or any request to waive or suspend a statute of limitations;
- (b) civil proceeding;
- (c) an arbitration, mediation, conciliation or alternative dispute resolution proceeding;
- (d) a criminal proceeding;
- (e) 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; or

- (f) an **Extradition** proceeding.

Defence Costs means that part of **Loss** consisting of reasonable costs, charges, fees (including but not limited to legal counsels' fees and experts' 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) incurred with the Company's prior written consent (which shall not be unreasonably withheld) in defending, investigating, settling or appealing any **Claim**. **Defence Costs** shall include:

- (a) **Bail Bond and Civil Bond Expenses**;
- (b) reasonable costs, charges or fees resulting from an **Insured Person** lawfully opposing, challenging, resisting or defending against any request for any effort to obtain the **Extradition** of such **Insured Person**; or appealing any order or other grant of **Extradition** of such **Insured Person**.

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.

Extradition means any formal process by which an **Insured Person** located in any country is surrendered to any other country for trial or otherwise to answer a criminal accusation.

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

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 his **Insured Capacity**. **Formal Investigation** does not include any routine supervision, inspection, compliance or similar reviews of an **Insured** conducted by any person or body or any investigation of industry-wide violations rather than a specific investigation of an **Insured**.

Indemnifiable means not prevented;

- (a) by law or **Financial Impairment**; or
- (b) by an **Organisation's** constitution, memorandum or articles of association, by laws, shareholder resolutions or board or other governing body resolutions, from being indemnified or reimbursed by an **Organisation**.

Insured means:

- (a) with respect to any **Organisation Claim** or **Tax Audit Notice**: an **Organisation**; and
- (b) with respect to any other **Claim**: an **Organisation** and/or any **Insured Person**.

Insured Capacity means the position or capacity designated in the definition of **Insured Person** held by any **Insured Person** but shall not include any position or capacity in any organisation other than the **Organisation**, even if such **Organisation** directed or requested the **Insured Person** to serve in such other position or capacity, other than an **Outside Directorship**.

Insured Person means any natural person who was, now is or shall be:

- (a) a **Director** or **Officer** of an **Organisation**;
- (b) a full time, part-time, temporary, casual or seasonal employee or any volunteer of an **Organisation**;
- (c) a trustee of an **Organisation**;
- (d) a **Director** of a corporate trustee or policy committee member of any superannuation fund established for the benefit of employees of an **Organisation**; or
- (e) a member of a committee established by or approved by the board of directors of an **Organisation** whether under statute or otherwise (provided that such **Organisation** grants indemnification to such person).

Insured Person shall not include an **External Administrator**.

Legal Representation Expenses means reasonable **Defence Costs** which an **Insured Person** incurs on account of the attendance and/or provision of documents or information by such **Insured Person** in an **Insured Capacity** at or to any **Formal Investigation** or on account of the preparation of such attendance or provision, which attendance and/or provision is required by the body instituting the **Formal Investigation**.

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

- (a) **Defence Costs**;
- (b) **Legal Representation Expenses**;
- (c) awards of damages or orders made by any court or tribunal to pay compensation including any statutory compensation orders;
- (d) judgments;
- (e) sums payable due to settlements to which the Company has consented;
- (f) awards of claimant's costs;
- (g) pre-judgment and post-judgment interest;
- (h) punitive, exemplary, multiplied or aggravated damages or **Fines and Penalties** unless the Company is legally prohibited from paying such damages, fines or penalties in the jurisdiction in which the **Claim** is determined;
- (i) any amount in a settlement or judgment attributable to alleged violations of Section 11, 12, and 15 of the Securities Act of 1933, 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;
- (j) **Tax Investigation and Audit Expenses**;
- (k) **Prosecution and Reputation Protection Costs**;
- (l) **Crisis Expenses** notwithstanding that there is no allegation of a **Wrongful Act**; and
- (m) **Attendance Compensation**.

Loss does not include:

- (i) 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;
- (ii) fines or penalties other than to the extent covered pursuant to paragraph (h) above;
- (iii) taxes, other than Goods and Services Tax due under the New Tax System (Goods and Services Tax) Act (Cth) 1999, as amended; and other than to the extent covered pursuant to Extension 2.J. Insured Person's Tax Liability and Superannuation Liability and paragraph (j) above;

- (iv) liquidated damages;
- (v) any costs incurred by an **Organisation** to comply with any order for injunctive or other non pecuniary relief, or to comply with an agreement to provide such relief;
- (vi) any amount not covered by this **Coverage Section** because of the section headed **Allocation** of the General Terms & Conditions; or
- (vii) any amount not insurable under the law pursuant to which this **Coverage Section** is construed.

Non-Profit Outside Entity means any corporation, trust, fund, foundation, community or industry association or registered charity that is not an **Organisation** and 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.

Organisation Claim means:

- (a) a written demand for monetary damages, non-pecuniary relief or any request to waive or suspend a statute of limitations;
- (b) a civil proceeding;
- (c) an arbitration, mediation, conciliation or alternative dispute resolution proceeding;
- (d) a criminal proceeding; or
- (e) 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; or

- (f) a **Tax Audit Notice**.

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**.

Outside Entity means any organisation that is not an **Organisation** and:

- (a) 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
- (b) 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
- (c) which is not located, incorporated or domiciled or does not operate in the United States of America or any territory under its jurisdiction; or
- (d) 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.

Personal Injury Wrongful Act means any:

- (a) false arrest, wrongful detention or imprisonment, malicious prosecution; or
- (b) wrongful entry or eviction or other invasion of the right of privacy.

Prosecution and Reputation Protection Costs means that part of **Loss** consisting of reasonable legal fees and related professional charges, arising from a **D&O Claim** first made during the **Policy Period** and incurred personally by an **Insured Person** with the prior consent of the Company, which shall not be unreasonably withheld, to bring legal proceedings to overturn:

- (a) 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**;
- (b) an interim or interlocutory judicial charging order over any asset of such **Insured Person**;
- (c) an interim or interlocutory judicial order disqualifying such **Insured Person** from holding office or from managing a company; or

- (d) a judicial order requiring such **Insured Person** to be confined to a specified domestic residence or held in custody pending trial of that **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**.

Retired Director or Officer means a **Director** or **Officer** of the **Organisation** who has ceased to act in his **Insured 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 **Event** or **Financial Impairment**.

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**,

Tax Agent means any person who is not an **Insured Person** who is registered by the Australian 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 Australian Taxation Office or any state or territory government tax collection authority in respect of such **Organisation's** liability to pay tax.

Tax Investigation and Audit Expenses means that part of **Loss** consisting of reasonable costs, charges or fees of a **Tax Agent** incurred in investigating any **Tax Audit Notice**.

Tax Audit Notice means any notification from the Australian Taxation Office or any state or territory government tax collection authority of an audit of, or investigation including any risk review, relating to an **Organisation's** liability to pay tax.

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**,

Wrongful Act means 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 or **Personal Injury Wrongful Act** committed, attempted, or allegedly committed or attempted by:

- (a) with respect to Insuring Clauses (A) and (B) only : an **Insured Person**, individually or otherwise, in his **Insured Capacity** or any matter claimed against such **Insured Person** by reason of serving in such **Insured Capacity**; or
(b) with respect to Insuring Clause (D) only: an **Organisation**.

IV. Exclusions

A. Exclusions Applicable to All Insuring Clauses

The Company shall not be liable for **Loss** in respect of any **Claim**:

(i) *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 this **Coverage Section** is a renewal or replacement or which it may succeed in time;

(ii) *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 the applicable Pending and Prior Litigation Date as set forth in Item 3 of the Schedule or the same or substantially the same facts or circumstances underlying or alleged therein;

(iii) *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. 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**;

(iv) *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;

(v) *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;

(vi) *Pollution*

based upon, arising from or in consequence of **Pollution**.

(vii) *Financial Impairment*

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

B. Exclusions Applicable to Insuring Clauses A, B, and C Only

The Company shall not be liable for **Loss** in respect of any **Claim** based upon, arising from or in consequence of:

Conduct

- (a) any deliberately fraudulent act or omission or any wilful 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 Person**;
- (b) any conduct or contravention in respect of which a liability is the subject of a prohibition in section 199B(1) of the Corporations Act 2001 (Cth), or any equivalent law anywhere in the world,

provided that this exclusion shall not apply, including for the avoidance of doubt, to the Company's obligation to advance costs and expenses under the Extension headed Advancement of Costs and Expenses, 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.

C. Exclusions Applicable to Insuring Clause D Only

The Company shall not be liable for **Loss** in respect of any **Organisation Claim**:

(i) *Contractual Liability*

based upon, arising from or in consequence of any written, oral, express or implied contract or agreement;

(ii) *Assumed Liability*

for liability of others assumed by any **Insured** under any written, oral, express or implied contract or agreement except liability that would have attached to such **Insured** in the absence of such contract;

(iii) *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;

(iv) *Third Party Discrimination*

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

(v) *Defamation*

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

(vi) *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;

(vii) *Copyright*

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;

(viii) Conduct of Organisation

based upon, arising from or in consequence of:

- (a) 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 an **Organisation**; or
- (b) an **Organisation** having gained any profit, remuneration or advantage to which such **Organisation** was not legally entitled,

provided that this exclusion shall not apply including, for the avoidance of doubt, to the Company's obligation to advance costs and expenses under Extension II.A Advancement of Costs and Expenses until a final adjudication in any proceedings establishes such a deliberately fraudulent act or omission, willful violation or breach, personal profit, remuneration or advantage. The term 'proceeding' shall not include any declaratory proceeding brought by or against the Company.

(ix) Trading Debts

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

(x) Organisation v Insured

brought or maintained by or on behalf of any **Organisation**, or any **Outside Entity** if such **Claim** arises out of such **Outside Directorship**, except for **Defence Costs**.

(xi) Fines and Penalties

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

D. Exclusions Applicable to Extension L. Tax Investigation and Audit Expenses Only

The Company shall not be liable for **Loss** on account of any **Tax Audit Notice**:

(i) Delay, Refusal or Failure to Comply

based upon, arising from, or in consequence of any improper, unwarranted or unjustified delay, refusal or failure to comply with any request made by or on behalf of the Australian Taxation Office or any state or territory government tax collection authority, requiring the production of documents or the furnishing of information by an **Insured**;

(ii) Prior Inquiries

based upon, arising from, or in consequence of inquiries from the Australian Taxation Office or any state or territory government tax collection authority related to an identified intention to conduct an audit or likely future audit;

(iii) Income Earned or Services Outside Australia

based upon, arising from, or in consequence of any audit or investigation concerning income earned or sourced outside Australia 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 Australia;

(iv) Customs

based upon, arising from or in consequence of any matters arising under customs legislation;

(v) Prior Notice

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 Year**;

(vi) Conduct

based upon, arising from, or in consequence of any fraudulent act or omission or fraudulent misrepresentation committed by or on behalf of an **Organisation**;

(vii) Criminal Prosecution

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;

(viii) Non Tax Agent Returns

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;

(ix) *Post Audit Costs*

Tax Audit Costs incurred after the audit or investigation has been completed.

V. Severability - Imputation of Knowledge

Other than with respect to the section headed Exclusions Applicable to Insuring Clause D only, in order to determine if coverage is available, no fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person**.

With respect to the section headed Exclusions Applicable to Insuring Clause D only, in order to determine if coverage is available, only facts pertaining to and knowledge possessed by any 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**.

VI. Presumptive Indemnification

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 all the Exclusions of this **Coverage Section**. In such event the applicable Deductible Amount set forth in Item 2 of the Schedule shall be paid by the **Organisation** to the Company. No Deductible Amount shall apply in the event of **Financial Impairment**. This section does not apply to **Loss** arising out of an **Outside Directorship**.

VII. Priority of Payments

- A. 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:
- (i) first pay such **Loss** for which coverage is provided under Insuring Clause (A) or Insuring Clause (C) of this **Coverage Section**; then
 - (ii) to the extent of any remaining amount of the Limit of Liability available after payment under (i) above, pay such **Loss** for which coverage is provided under any other Insuring Clause of this **Coverage Section**.
- B. 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**.

VIII. Co-Ordination of Coverage

Any **Loss** covered under both this **Coverage Section** and the Employment Practices Liability Coverage Section, if purchased, shall be first covered under the Employment Practices Liability Coverage Section, subject to the terms, conditions and limitations therein. Any remaining portion of such **Loss** otherwise covered under this **Coverage Section** which is not paid under the Employment Practices Liability Coverage Section shall be covered under this **Coverage Section**, subject to its terms, conditions and limitations.

Forefront Portfolio
Policy Wording

Employment Practices Liability
Coverage Section

CHUBB®

Schedule

Chubb Insurance Australia Limited
 ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES CLAIMS MADE COVERAGE WHICH APPLIES ONLY TO 'CLAIMS' FIRST MADE DURING THE 'POLICY PERIOD', OR ANY EXTENDED REPORTING PERIOD

Item 1. Limit of Liability for this Coverage Section:

- (a) Employment Practices Liability Coverage: \$
- (b) Third Party Liability Coverage: \$

Item 2. Deductible Amount:

- (a) Employment Practices Liability Coverage: \$
- (b) Third Party Liability Coverage: \$

Item 3. Pending and Prior Litigation Date:

- (a) Insuring Clause (A):
- (b) Insuring Clause (B):

Item 4. Endorsement(s) Effective at Inception:

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:

I. Insuring Clause

A. 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** or, if exercised, during the Extended Reporting Period, for a **Wrongful Act** occurring before or during the **Policy Period**.

B. 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** or, if exercised, during the Extended Reporting Period, for a **Wrongful Act** occurring before or during the **Policy Period**.

II. Extension

A. Advancement of Defence Costs

The Company shall, prior to the final disposition of any **Claim**, advance **Defence Costs** within thirty (30) days of receipt of an invoice for same.

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**.

Cover as set forth in the above extension is subject to all the provisions of this Coverage Section unless stated otherwise.

III. Definitions

When used in bold type in this **Coverage Section**:

Bail Bond and Civil Bond 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 bonds.

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.

Breach of Employment Contract means any breach of any contract or contractual obligation including any contract or contractual obligation arising out of any personnel manual, employee handbook, policy statement or other representative.

Claim means:

- (a) with respect to Insuring Clause 1(A) only; an **Employment Claim**;
- (b) with respect to Insuring Clause 1(B) only: a **Third Party Claim**.

Defence Costs means that part of **Loss** consisting of reasonable costs, charges, fees (including but not limited to legal counsels' fees and experts' fees) and expenses (other than regular or overtime wages, salaries fees or **Benefits** of the directors, officers, trustees or any duly constituted committee member or employee of an **Organisation** or office overheads, travel costs unrelated to a **Claim** or other administration costs) incurred with the Company's prior written consent (which shall not be unreasonably withheld) in defending, investigating, settling or appealing any **Claim**. **Defence Costs** shall include;

- (a) **Bail Bond and Civil Bond Expenses**;
- (b) reasonable costs, charges or fees resulting from an **Insured Person** lawfully opposing, challenging, resisting or defending against any request for or any effort to obtain the **Extradition** of such **Insured Person**; or appealing any order or other grant of **Extradition** of such **Insured Person**.

Employee means any natural person whose labour or service is engaged and directed by an **Organisation**, including part-time, seasonal, casual and temporary employees as well as volunteers, but only while that natural person is acting in his capacity as such. **Employee** shall include any **Independent Contractor** but only if an **Organisation** agrees in writing prior to or no later than thirty (30) days after a **Claim** is made, to indemnify such contractor for liability arising out of such **Claim**.

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

- (a) provision for unemployment, redundancy, retirement, sickness, disability, maternity leave, parental leave, adoption leave, annual leave, long service leave, compassionate leave or personal leave;

- (b) 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;
- (c) accident, life, medical, disability or other welfare plans, including insurance of any kind;
- (d) superannuation, retirement or pension contributions, benefits and entitlements; or
- (e) **Stock Benefits**, profit sharing or deferred compensation plans.

Employment Claim means:

- (a) 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;
- (b) a civil proceeding;
- (c) an arbitration proceeding, mediation, conciliation or alternative dispute resolution proceeding;
- (d) a criminal proceeding;
- (e) 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; or

- (f) an **Extradition** proceeding.

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.

Extradition means any formal process by which an **Insured Person** located in any country is surrendered to any other country for trial or otherwise to answer a criminal accusation.

Independent Contractor means any natural person working for an **Organisation** in the capacity of an independent contractor and pursuant to an express contract between such contractor and an **Organisation** which governs the nature of the **Organisation's** engagement of such **Independent Contractor**.

Industrial Instrument means any award, agreement, arrangement or other instrument which is certified or registered by an industrial tribunal in Australia including the Australian Industrial Relations Commission, Fair Work Australia and the Industrial Relations Commissions of the States or Territories of Australia, or similar provisions of any body anywhere in the world.

Insured means an **Organisation** and/or **Insured Persons**.

Insured Person means:

- (a) a **Director** or **Officer** of an **Organisation**;
- (b) a full time, part-time, temporary, casual or seasonal employee or any volunteer of an **Organisation**; or
- (c) an **Independent Contractor** while acting in his capacity as such and only if the **Organisation** agrees to indemnify the **Independent Contractor** in the same manner as provided to the **Organisation's** employees in the event of a **Claim**.

Insured Person shall not include an **External Administrator**.

Loss means the total amount which an **Insured** becomes legally obligated to pay on account of any covered **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 any settlements to which the Company has consented;
- (e) awards of claimant's costs;
- (f) pre-judgment and post-judgment interest;

- (g) punitive, exemplary, multiplied damages or aggravated damages unless the Company is legally prohibited from paying such damages in the jurisdiction in which the **Claim** is determined.

Loss does not include:

- (i) fines or penalties imposed by law;
- (ii) taxes, other than Goods and Services Tax due under the New Tax System (Goods and Services Tax) Act (Cth) 1999, as amended;
- (iii) any costs incurred by an **Organisation** to comply with any order for, grant of or agreement to provide injunctive or other non pecuniary relief other than for **Defence Costs** advanced under Extension II;
- (iv) the future salary, wages, commissions or **Benefits** of a claimant who has been or shall be hired, promoted or reinstated to employment pursuant to a settlement of, order in or other resolution of any **Claim**, including:
 - (a) **Benefits** due or to become due or the equivalent value of such **Benefits**, except with respect to any **Employment Claim** for wrongful termination of employment; or
 - (b) **Stock Benefits**;
- (vi) any amount not covered by this **Coverage Section** pursuant to the **Allocation** Section of the General Terms & Conditions;
- (vii) regular or overtime wages, salaries or fees of **Insured Persons**; or
- (viii) any amount not insurable under the law pursuant to which this **Coverage Section** is construed.

Potential Employment Claim means a complaint or allegation of a **Wrongful Act** by or on behalf of a potential claimant if such complaint or allegation (a) does not yet constitute a **Claim** but may subsequently give rise to a **Claim**, and (b) is lodged with: (i) any supervisory employee having management-level responsibility for personnel matters with respect to such claimant, if such supervisory employee provides notice of such complaint or allegation to any member of an **Organisation's** human resources, general counsel or risk management departments, or other comparable department; or (ii) an **Organisation's** human resources department, general counsel, risk management department or other comparable department.

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

- (a) exercising his or her rights under law, refusing to violate any law, or opposing any unlawful practice;
- (b) 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**;
- (c) disclosing or threatening to disclose to a superior or to any governmental agency any alleged violations of law; or
- (d) filing any claim against the **Organisation** under the Federal False Claims Act, Section 806 of the Sarbanes Oxley Act or any whistleblower law anywhere in the world.

Stock Benefits means any offering, plan or agreement between an **Organisation** and any **Directors and Officers** 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.

Third Party means 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**.

Third Party Claim means:

- (a) a written demand for monetary damages of non-pecuniary relief, including injunctive relief and any request to waive or suspend a statute of limitations;
- (b) a civil proceeding;
- (c) an arbitration proceeding, mediation, conciliation or alternative dispute resolution proceeding;
- (d) a administrative, regulatory or tribunal proceeding commenced by the issuance of a formal investigative order or similar document;

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.

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**.

Wrongful Act means:

- (a) with respect to Insuring Clause 1.A 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) with respect to Insuring Clause 1.B only: any **Third Party Wrongful Act** committed, attempted, or allegedly committed or attempted, by any **Insured**.

IV. Exclusions

The Company shall not be liable for **Loss** in respect of any **Claim**:

(a) Prior Notice

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

(b) Pending and Prior Litigation

based upon, arising from or in consequence of any written demand, suit, formal administrative or regulatory proceeding, formal investigative order or similar document or proceeding pending against, or order, decree or judgment entered for or against any **Insured** on or prior to the Pending and Prior Litigation Date set forth in Item 4 of the Schedule or the same or substantially the same facts or circumstances underlying or alleged therein;

(c) ERISA

based upon, arising from or in consequence of any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act, 1974 (USA) and amendments thereto;

(d) 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. However, this exclusion shall not apply to emotional distress, mental anguish or humiliation in any **Claim**;

(e) 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**;

(f) Assumed Liability

based upon, arising from or in consequence of any actual or alleged liability of others, other than an **Employee**, assumed by an **Insured** under any contract except to the extent that such liability would have attached to the **Insured** even in the absence of such contract;

(g) 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**;

(h) Sums Under Contract

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

- (i) which are severance payments;
- (ii) which are in respect of a notice period;
- (iii) which are determined to be owing under any oral or written contract of employment;
- (iv) which represent any amount the **Insured** would have been liable for in the absence of a **Wrongful Act**.

(i) Trustees 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

(j) Pollution

based upon, arising from or in consequence of **Pollution**, provided that this exclusion shall not apply to **Loss** on account of any **Employment Claim** for **Retaliation**.

V. Severability of Exclusions

No fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** in order to determine if coverage is available to such **Insured Person** for the purpose of applying any of the exclusions in this **Coverage Section**.

Only facts pertaining to and knowledge possessed by any chief executive officer, human resources manager or general counsel, or the holder of an equivalent position in any jurisdiction, of an **Organisation** shall be imputed to such **Organisation** for the purpose of applying any of the exclusions in this Coverage Section.

VI. Co-Ordination of Coverage

Any **Loss** covered under this **Coverage Section** and either the Directors and Officers Liability **Coverage Section** or the Trustees Liability **Coverage Section**, if purchased, shall be first covered under this **Coverage Section**, subject to its terms, conditions and limitations.

**Forefront Portfolio
Policy Wording**

**Miscellaneous Professional
Liability Coverage Section**

CHUBB®

Schedule

Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES CLAIMS MADE COVERAGE WHICH APPLIES ONLY TO 'CLAIMS' FIRST MADE DURING THE 'POLICY PERIOD', OR ANY EXTENDED REPORTING PERIOD

Item 1.	Limits of Liability for this Coverage Section		
	(a) Each Loss		\$
	(b) Each Policy Period		\$
	Privacy Remediation Expenses		
	Sub limit (c) Each Loss		\$
	(d) Each Policy Period		\$
Item 2.	Deductible:		\$
	Deductible applicable to Privacy Remediation Expenses only:		\$
Item 3.	Retroactive Date:		
Item 4.	Professional Services:		
Item 5.	Endorsement(s) Effective at Inception:		

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

I. Insuring Clauses

A. 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** or, if exercised, during the Extended Reporting Period, for a **Wrongful Act** occurring after the Retroactive Date set forth in the Schedule.

B. Legal Representation Expenses

The Company shall pay, on behalf of an **Insured**, **Legal Representation Expenses** 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**.

II. Extensions

A. Fraud and Dishonesty

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

B. Loss of Documents

Notwithstanding, 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 whilst in the custody of the **Insured** and for which the **Insured** is legally liable or any person to whom the **Insured** has entrusted them; or anywhere in transit in respect of all damage 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.

No Deductible Amount applies to this extension.

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.

C. Libel, Slander & Defamation

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

D. Australian Consumer Law and Related Legislation

Notwithstanding the Conduct Exclusion, Dishonesty, coverage shall extend to **Loss** on account of any **Professional Services Claim** made against the **Insured** in respect of any breach of the *Competition and Consumer Act 2012 (Cth)*, as amended, or similar legislation enacted in Australia or the Dominion of New Zealand.

E. Advancement of Costs and Expenses

The Company shall, prior to the final disposition of any **Professional Services Claim**, advance **Defence Costs** and **Legal Representation Expenses** as provided under this **Coverage Section**, within thirty (30) days of receipt of an invoice for same.

Any advancement of **Defence Costs** and **Legal Representation Expenses** 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** or **Legal Representation Expenses** are not insured under this **Coverage Section**.

F. Privacy Remediation Expenses

The Company shall pay, on behalf of an **Insured**, **Privacy Remediation Expenses** notified during the **Policy Period** or, if exercised, during the Extended Reporting Period, up to the amount of the sub limit set forth in Item 1. of the Schedule.

G. 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.

Cover as set forth in the above extensions is subject to all provisions of this **Coverage Section** unless stated otherwise.

III. Definitions

When used in bold type in this Coverage Section:

Bodily Injury means physical injury, sickness or disease sustained by a person and mental anguish, mental injury, shock, humiliation or death.

Claim means **Professional Services Claim**.

Defence Costs means that part of **Loss** consisting of reasonable costs charges, fees (including but not limited to legal counsels' fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of the partners, directors, officers or employees of the **Organisation** or office overheads, travel costs unrelated to a **Claim** or other administrative costs) incurred in defending, investigating, settling or appealing any **Claim** and the premium paid for appeal, attachment or similar bonds.

Employee means any natural person whose labour or service is engaged and directed by an **Organisation**, including part-time, seasonal, casual and temporary employees as well as volunteers, but only while such natural person is acting in his capacity as such.

Formal Investigation means a formal investigation, examination or inquiry by any official person or body having legal authority to conduct an investigation, examination or inquiry, of the performance of or failure to perform **Professional Services** by an **Insured**. **Formal Investigation** does not include any routine supervision, inspection, compliance or similar reviews of an **Insured** conducted by any person or body or any investigation of industry-wide violations rather than a specific investigation of an **Insured**.

Insured means an **Organisation** and/or **Insured Person**.

Insured Person means any natural person who was, now is or shall be;

- (a) a director, principal, partner, officer or **Employee** of an **Organisation**; or
- (b) any natural person for whose acts an **Organisation** is legally responsible,

individually or otherwise, while acting solely in the conduct of **Professional Services** and on behalf of the **Organisation**.

Legal Representation Expenses means reasonable **Defence Costs** which an **Insured** incurs on account of the legally compellable attendance and/or the provision of documents or information by such **Insured** at or to any **Formal Investigation** or on account of the preparation for such attendance or provision, which attendance and/or provision is required by the body instituting the **Formal Investigation**.

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

- (a) **Defence Costs**;
- (b) **Legal Representation Expenses**;
- (c) awards of damages or orders made by any court or tribunal to pay compensation including any statutory compensation orders;
- (d) judgments;
- (e) sums payable due to any settlements to which the Company has consented;
- (f) awards of Professional Services Claimant's costs;
- (g) pre-judgment and post-judgment interest;
- (h) punitive, exemplary or multiplied damages, aggravated damages unless the Company is legally prohibited from paying such damages in the jurisdiction in which the **Claim** is determined; and
- (i) **Public Relations Expenses**, notwithstanding that there is no allegation of a **Wrongful Act**.

Loss does not include:

- (i) any amount for which an **Insured** 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;
- (ii) fines or penalties imposed by law;
- (iii) taxes, other than Goods and Services Tax due under the New Tax System (Goods and Services Tax) Act (Cth) 1999, as amended.
- (iv) 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**;
- (v) any amount allocated to loss not covered by this **Coverage Section** pursuant to the allocation of the General Terms and Conditions of this policy;
- (vi) the cost of correcting, completing or re-performing any **Professional Services**;
- (vii) any costs incurred by an **Organisation** to comply with any order for injunctive or other non pecuniary relief, or to comply with an agreement to provide such relief;
- (viii) liquidated damages;
- (ix) regular or overtime wages, salaries or fees of **Insured Persons**;
- (xvii) costs and expenses of any kind including **Defence Costs** and **Legal Representation Expenses** in connection with the matters in i. – ix. above;

Organisation means, collectively the **Principal Organisation** designated in the Declarations and **Subsidiary**.

Privacy Remediation Expenses means reasonable and necessary expenses for:

- (a) advertising or other media services;
- (b) broadcast, electronic, printed, telecast or telephonic announcements, communications or notices; or
- (c) public relations services;

that are incurred solely to comply with a law, ordinance or regulation concerning the notification of others consequent upon the potential or actual unauthorised access to or unauthorised use by another person of an individual's personal information which is not publicly available.

Professional Services shall mean those services which are designated in the Schedule.

Professional Services Claim means:

- (a) a written demand for monetary damages or non pecuniary relief;
- (b) a civil proceeding;
- (c) a **Formal Investigation**; or
- (d) an arbitration, mediation, conciliation or alternate dispute resolution proceeding, against any **Insured** for a **Wrongful Act**, including any appeal therefrom.

Property Damage means physical injury to tangible property including the resulting loss of use of that property, or loss of use of tangible property that is not physically injured.

Wrongful Act means 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 an **Insured**, individually or otherwise, solely while performing **Professional Services** on behalf of the **Organisation**, including any actual or alleged failure to perform such **Professional Services**.

IV. Exclusions

The Company shall not be liable for **Loss** in respect of any **Professional Services Claim**:

(a) Prior Notice

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

(b) Pending or Prior Date

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** on or prior to the inception date of this Policy or the same or substantially the same facts or circumstances underlying or alleged therein;

(c) Conduct

based upon, arising from, or in consequence of any deliberately fraudulent act or omission or any wilful 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 Person**, provided that this Exclusion shall not apply including, for the avoidance of doubt, to the Company's obligation to advance costs and expenses until a final non-appealable 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;

(d) Pollution

based upon, arising from or in consequence of **Pollution**;

(e) Bodily Injury/ Property Damage

for **Bodily Injury** or **Property Damage**.

(f) Contractual 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 contract;

(g) Related Parties

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

- (i) any **Insured**;
- (ii) any entity which is owned or controlled by, or in under common ownership or control with, any **Insured**;
- (iii) any natural person or entity which owns or controls any entity included within the definition of **Insured**; or
- (iv) any entity of which any **Insured** is a company director, officer, partner or principal shareholder;

(h) 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; or

(i) Trading Debts

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

V. Severability - Imputation of Knowledge

With respect to the Exclusions, in order to determine if coverage is available:

- (a) no fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** for the purpose of applying any of the exclusions in this **Coverage Section**; and
- (b) only facts pertaining to and knowledge possessed by any partner, chief executive officer, chief financial officer, company secretary or holders of equivalent positions in any jurisdiction of an **Organisation** shall be imputed to such **Organisation**.

**Forefront Portfolio
Policy Wording**

**Trustees Liability Coverage
Section**

CHUBB®

Schedule

Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES CLAIMS MADE COVERAGE WHICH APPLIES ONLY TO 'CLAIMS' FIRST MADE DURING THE 'POLICY PERIOD', OR ANY EXTENDED REPORTING PERIOD

- Item 1. Limit of Liability for this **Coverage Section:** \$
- Item 2. Deductible Amount: \$
- Item 3. Pending and Prior Litigation Date:
- Item 4. Endorsement(s) Effective at Inception:

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:

I. Insuring Clause

A. Trustees Liability Coverage

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

II. Extensions

A. Advancement of Defence Costs

The Company shall, prior to the final disposition of any **Claim**, advance **Defence Costs** as provided under this **Coverage Section**, within thirty (30) days of receipt of an invoice for same from defence counsel.

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**.

III. Definitions

When used in bold type in this **Coverage Section**:

Benefit means any amount payable to a beneficiary of the **Superannuation Fund** by the **Trustees** under the governing rules of the **Superannuation Fund**.

Claim means a **Trustees Claim**.

Defence Costs means that part of **Loss** consisting of reasonable costs, charges, fees (including but not limited to legal counsels' fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of the directors, officers or employees of the **Organisation** or office overheads, travel costs unrelated to a **Claim** or other administration costs) incurred in defending, investigating or settling any **Claim** and the premium paid for appeal, attachment or similar bonds.

Financial Impairment means the inability of a **Trustee** to indemnify an **Insured** for the whole or any part of **Loss** because the assets of a **Superannuation Fund** are insufficient (after exhaustion of all other rights of indemnity the **Trustees** may have, whether from an **Organisation** or otherwise, and after exhausting all such assets as are available from the **Superannuation Fund**) to meet the amount of that **Loss**.

Insured means any **Trustee**; **Insured Persons**; **Organisation**; or **Superannuation Fund**.

Insured Person means any natural person who was, now is or shall be a company director or officer of a **Trustee** that is a body corporate; a **Trustee**; a member of a **Policy Committee**; an employee of a **Trustee**; or a company director, officer or employee of an **Organisation** who is retained by such **Organisation** to assist in the management of a **Superannuation Fund** for a fee pursuant to a written contract.

Loss means **Defence Costs** and the amount which an **Insured** becomes legally obligated to pay on account of any covered **Claim** including, but not limited to:

- (a) awards of damages or orders made by any court or tribunal to pay compensation;
- (b) judgments;
- (c) sums payable due to any settlements;
- (d) punitive damages to the extent permitted at law; and
- (e) claimant's costs.

Loss does not include:

- (i) any amount for which an **Insured** is absolved from payment by reason of a covenant or agreement, other than indemnification of an **Insured Person** by an **Organisation** or **Trustee**, or order or determination of a tribunal or court;
- (ii) taxes, fines or penalties imposed by law;
- (iii) the multiple portion of any multiplied damages awarded outside of the Commonwealth of Australia and New Zealand;
- (iv) any amount allocated to loss not covered by this **Coverage Section** pursuant to Section X. **Allocation** of the General Terms & Conditions; or

(v) matters uninsurable under the laws of Australia.

Policy Committee means a board or committee or other body that is established by or under the governing rules of a **Superannuation Fund** and which advises the **Trustees** about such matters as are prescribed in the Superannuation Industry (Supervision) Regulations, as amended.

Pollutants means any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by an environmental protection agency or any counterpart thereof anywhere in the world. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials. **Pollutants** shall also mean any other air emission, odour, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products and noise.

Pollution means:

- (a) the actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, escape, seepage, migration, dispersal, treatment, removal or disposal of **Pollutants**; or
- (b) any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, or
 - (i) any action taken in response to or contemplation or anticipation of any such regulation, order, direction or request; or
 - (ii) any action taken voluntarily to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, whether or not in relation to any such regulation, order, direction or request, including but not limited to any claim for loss to the **Organisation** or an **Outside Entity**, the holders of its securities or its creditors based upon, arising from, or in consequence of the matters described in (a) or (b) of this definition.

Superannuation Fund means any superannuation fund established by an **Organisation** for the sole benefit of its employees.

Trustee means any person who was, now is or shall be duly appointed as a trustee of a **Superannuation Fund** in accordance with the governing rules of such **Superannuation Fund** or by a court or pursuant to statute.

Trustees Claim means:

- (a) a written demand for monetary damages or non-pecuniary relief;
- (b) a civil proceeding;
- (c) an arbitration, mediation, conciliation or alternative dispute resolution proceeding;
- (d) a criminal proceeding;
- (e) a proceeding commenced by the service of a notice of receipt of a complaint by the Superannuation Complaints Tribunal; or
- (f) 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** for a **Wrongful Act**, including any appeal therefrom.

Wrongful Act means any act or omission including but not limited to any error, misstatement, misleading statement, neglect, breach of trust or breach of duty committed, attempted, or allegedly committed or attempted, before or during the **Policy Period** by an **Insured**, individually or otherwise, in the management of a **Superannuation Fund**.

IV. Exclusions

The Company shall not be liable for **Loss** in respect of any **Claim**:

(a) Prior Notice

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

(b) Pending and Prior Litigation Date

based upon, arising from or in consequence of any demand, suit or proceeding pending or order, decree or judgment entered for or against any **Insured** on or prior to the Pending and Prior Litigation Date set forth in Item 3 of the Schedule or the same or substantially the same **Wrongful Acts**, facts or circumstances underlying or alleged therein;

(c) Conduct

based upon, arising from or in consequence of any deliberately fraudulent act or omission or any wilful violation or breach of any law, regulation or by-law or any duty imposed by any such law, regulation or by-law by an **Insured** provided that this exclusion shall not apply until an admission by an **Insured** or a final adjudication establishes such a deliberately fraudulent act or omission or wilful violation or breach;

(d) Pollution

based upon, arising from or in consequence of **Pollution**;

(e) 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;

(f) Assumed Liability

based upon, arising from or in consequence of liability of others assumed by an **Insured** under any contract except to the extent that such liability would have attached to such **Insured** even in the absence of such contract or unless the liability was assumed in accordance with, or under the agreement or declaration of trust pursuant to which a **Superannuation Fund** was established;

(g) Temporary or Permanent Disability

based upon, arising from or in consequence of the grant or denial of any **Benefit** for death, temporary disability (total or partial) or permanent disability (total or partial) to a beneficiary of a **Superannuation Fund**;

(h) Insolvency

for **Wrongful Acts** based upon, arising from or in consequence of the insolvency of an **Organisation**;

(i) Benefits Due

which constitutes **Benefits** due or to become due or the equivalent value of such **Benefits**; provided that this exclusion shall not apply to the Company's obligation to advance **Defence Costs**;

(j) Contributions (Failure to Collect)

which is based upon, arising from or in consequence of the failure to collect from an **Organisation** contributions payable to the **Superannuation Fund** unless the failure is because of the negligence of an **Insured**; provided that this exclusion shall not apply to the Company's obligation to advance **Defence Costs**; or

(k) Contributions (Return/ Repatriation)

which constitutes the return or repatriation to an **Organisation** of any contribution or assets of a **Superannuation Fund**.

V. Severability of Exclusions

With respect to Exclusion IV (c) Fraud of this **Coverage Section**, in order to determine if coverage is available:

- (a) no fact pertaining to or knowledge possessed by any natural person **Insured** shall be imputed to any other natural person **Insured**; and
- (b) only facts pertaining to and knowledge possessed by any past, present or future chief financial officer, in-house general counsel, chief executive officer, chairman, president or managing director or equivalent thereof, of any **Insured** shall be imputed to any **Insured**.

VI. Participation in Another Superannuation Fund

If during the **Policy Period**:

- (a) an **Organisation** establishes or commences to participate in a superannuation fund not covered by this **Coverage Section** ("Inception Event");
- (b) the **Trustees** of such superannuation fund and the **Organisation** wish to extend cover under this **Coverage Section** in respect of such superannuation fund;

- (c) the **Trustees** give written notice to that effect to the Company as soon as practicable after the Inception Event together with such other information as the Company may require; and
- (d) the **Trustees** or the **Organisation** pay any additional premium reasonably required by the Company,

then such fund is deemed to be a **Superannuation Fund** to which this **Coverage Section** applies. Coverage shall be afforded, subject to the terms and conditions of this **Coverage Section** and the General Terms and Conditions, from the date of the Inception Event for the **Insureds** of that **Superannuation Fund**, but only for **Wrongful Acts** occurring after the date of the Inception Event, unless the Company agrees by endorsement to provide coverage for **Wrongful Acts** occurring prior to such date.

VII. Termination of Any Superannuation Fund

If an **Organisation** or a **Trustee** terminates any **Superannuation Fund** before or during the **Policy Period**, coverage with respect to such terminated **Superannuation Fund** shall continue until termination of this **Coverage Section** for those who were **Insureds** at the time of such **Superannuation Fund** termination, or who would have been **Insureds** at the time of such termination if this **Coverage Section** had been in effect, with respect to **Wrongful Acts** occurring prior to the date of such **Superannuation Fund** termination. The **Principal Organisation** shall give written notice to the Company of such **Superannuation Fund** termination as soon as is practicable together with such information as the Company may require.

Forefront Portfolio
Policy Wording

Internet Liability Coverage
Section

CHUBB®

Schedule

Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES CLAIMS MADE COVERAGE WHICH APPLIES ONLY TO 'CLAIMS' FIRST MADE DURING THE 'POLICY PERIOD', OR ANY EXTENDED REPORTING PERIOD

- Item 1. Limit of Liability for this **Coverage Section:** \$
- Item 2. Deductible Amount: \$
- Item 3. Internet Site:
- Item 4. Pending or Prior Litigation Date:
- Item 5. Endorsement(s) Effective at Inception:

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:

I. Insuring Clause

A. Internet Liability Coverage

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

II. Extension

A. Advancement of Defence Costs

The Company shall, prior to the final disposition of any **Claim**, advance **Defence Costs** as provided under this **Coverage Section**, within thirty (30) days of receipt of an invoice for same from defence counsel.

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**.

III. Definitions

When used in bold type in this **Coverage Section**:

Claim means any **Internet Claim**

Cyber Attack means a set of unauthorised instructions that are designed to modify, alter, damage, destroy, delete, record or transmit information within an **Organisation's Internet Site** without the authorisation of the **Insured** including those instructions that are self-replicating or self-propagating and are designed to contaminate other computer programmes or data, consume computer resources or in some fashion usurp the normal operation of an **Organisation's Internet Site**.

Defence Costs means that part of **Loss** consisting of reasonable costs, charges, fees (including but not limited to legal counsels' fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of the directors, officers or employees of the **Organisation** or office overheads, travel costs unrelated to a **Claim** or other administration costs) incurred in defending, investigating or settling any **Claim** and the premium paid for appeal, attachment or similar bonds.

Employee means any natural person whose labour or service is engaged by and directed by an **Organisation** including part-time, seasonal, casual and temporary employees as well as volunteers, but only while that natural person is acting in his or her capacity as such. **Employee** shall not include **Independent Contractors**.

Independent Contractor means any person working for an **Organisation** in the capacity of an independent contractor pursuant to any express **Independent Contractor Services Agreement** including any employee, agent or other representative thereof. **Independent Contractor Services Agreement** means any express contract between an **Independent Contractor** and an **Organisation** governing the **Organisation's** engagement of such **Independent Contractor**.

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

Insured Person means a **Director** or **Officer** of an **Organisation** or an **Employee**.

Internet Activities means:

- (a) display or other use of **Matter** on an **Internet Site**; or
- (b) transmission of **Matter** via an **Internet Site**.

Internet Claim means:

- (a) a written demand for monetary damages or non-pecuniary relief;
- (b) a civil proceeding or
- (c) an arbitration proceeding, mediation, conciliation or alternative dispute resolution proceeding, against any **Insured** for a **Wrongful Act**, including any appeal therefrom.

Internet Site means those internet site(s) set forth in Item 3 of the Schedule but shall not include any **Third Party Internet Sites** accessed by or through links from an **Organisation's Internet Site**.

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

- (a) **Defence Costs**;
- (b) awards of damages or orders made by any court or tribunal to pay compensation;
- (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 or aggravated damages unless the Company is legally prohibited from paying such damages in the jurisdiction in which the **Claim** is determined; and
- (h) the multiple portion of any multiplied damages award unless the Company is legally prohibited from paying such damages in the jurisdiction in which the **Claim** is determined; and

Loss does not include:

- (i) 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;
- (ii) fines or penalties;
- (iii) any amount not covered by this **Coverage Section** because of Section X. **Allocation** of the General Terms & Conditions; or
- (iv) matters for which the Company is legally prohibited from indemnifying an **Insured** under Australian law other than to the extent covered pursuant to paragraphs (g) and (h) above.

Matter means printed, verbal, numerical, audio or visual expression, or any other expression whatsoever, regardless of the medium through which such expression is made.

Pollutants means any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or any counterpart thereof anywhere in the world. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials. **Pollutants** shall also mean any other air emission, odour, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products and noise.

Pollution means:

- (a) the actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, escape, seepage, migration, dispersal, treatment, removal or disposal of any **Pollutants**; or
- (b) any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, or
 - (i) any action taken in response to or contemplation or anticipation of any such regulation, order, direction or request; or
 - (ii) any action taken voluntarily to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, whether or not in relation to any such regulation, order, direction or request,

including but not limited to any **Claim** for loss to an **Organisation**, the holders of its securities or its creditors based upon, arising from, or in consequence of the matters described in (a) or (b) of this definition.

Product means any tangible property offered for sale or otherwise disseminated by or through an **Organisation**. **Product** does not include **Matter** disseminated over an **Internet Site**.

Related Internet Activities means all **Internet Activities** based upon, arising from, or in consequence of the same or related facts or circumstances or the same or related series of facts or circumstances.

Third Party Internet Site means web sites that are not owned, controlled, leased, administered, maintained or provided by an **Organisation**.

Wrongful Act means any libel, slander, or other oral or written publication of defamatory or disparaging material; or an invasion of or interference with any right of privacy, committed, attempted or allegedly committed or attempted, by an **Organisation**; by any person for whose **Wrongful Acts** such **Organisation** is legally liable; or by any **Insured Person** in his capacity as such, solely in connection with **Internet Activities** by or on behalf of such **Organisation**.

IV. Exclusions

The Company shall not be liable for **Loss** in respect of any **Claim**:

(i) Prior Notice

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

(ii) Pending or 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** on or prior to the applicable Pending or Prior Litigation Date as set forth in Item 4 of the Schedule or the same or substantially the same facts or circumstances underlying or alleged therein;

(iii) Pollution

based upon, arising from or in consequence of **Pollution**;

(iv) Bodily Injury/ Property Damage

based upon, arising from or in consequence of 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;

(v) Restrictive Trade Practices

based upon, arising from or in consequence of 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 or restraint of trade, or which protects competition;

(vi) Assumed Liability

based upon, arising from or in consequence of any actual or alleged liability assumed by an **Insured** under any contract except to the extent such liability would have attached to an **Insured** even in the absence of such contract;

(vii) Fitness for Purpose/ Product Quality

based upon, arising from or in consequence of any actual or alleged inaccurate or misleading description of the price or quality or fitness of purpose of any Product; or failure of any **Product** to conform with any advertised standard of quality, performance or fitness for purpose or otherwise to satisfy any standard of quality, performance or fitness or purpose;

(viii) Trade Secrets

based upon, arising from or in consequence of any actual or alleged infringement of any patent, or misappropriation of ideas or trade secrets;

(ix) Securities

based upon, arising from or in consequence of any actual or alleged violation of the Australian Corporations Law 1992 (Cth), the Australian Corporations Regulations (Cth), the Australian Commonwealth and State Corporations Acts of 1989 and 1999, the Australian Securities and Investments Commission Act 1989 (Cth), the Australian Securities and Investments Commission Regulations (Cth), any similar "blue sky" statute, any rule or regulation promulgated under any of the foregoing, or any amendment to any of the foregoing or any provision of law imposing liability in connection with the offer, sale or purchase of securities;

(x) Professional Services

based upon, arising from or in consequence of any actual or alleged act or omission, including but not limited to any error, misstatement, misleading statement, neglect, breach of trust 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 for others by an **Insured** or any person or entity otherwise entitled to coverage under this **Coverage Section**;

(xi) Insured v Insured

brought or maintained by or on behalf of any **Insured**;

(xii) Conduct

based upon, arising from or in consequence of any fraudulent, criminal or malicious act or omission or any wilful violation or breach of any law, regulation or by-law or any duty imposed by any such law, regulation or by-law by any **Insured**;

(xiii) Lotteries

based upon, arising from or in consequence of any actual or alleged act or omission in connection with any contest, lottery, promotional game or other game of chance whatsoever;

(xiv) Royalties & Fees

brought or maintained by or on behalf of any writer, lyricist, artist or any person, or such person's heirs or assigns, seeking against an **Insured** an accounting or recovery of profits, royalties, fees or any other amounts whatsoever alleged to be due, or any **Claim** by any such person against an **Insured** alleging excessive or unwarranted fees, compensation, or whatsoever charges of any kind imposed or attempted to be imposed by an **Insured**;

(xv) Regulatory

brought by any regulatory agency or administrative body anywhere in the world;

(xvi) Confidential Information

based upon, arising from or in consequence of any loss or misuse of confidential information, material or data; or

(xvii) Cyber Attack

based upon, arising from or in consequence of a **Cyber Attack**.

V. Severability of Exclusions

With respect to the Conduct Exclusion (xii) Fraud in this **Coverage Section** in order to determine if coverage is available:

- (A) no fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person**; and
- (B) only facts pertaining to and knowledge possessed by any past, present or future chief financial officer, in-house general counsel, chief executive officer, chairman, president or managing director or equivalent thereof, of an **Organisation** shall be imputed to an **Organisation**.

**Forefront Portfolio
Policy Wording**

**Statutory Liability Coverage
Section**

CHUBB®

Schedule

Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES CLAIMS MADE COVERAGE WHICH APPLIES ONLY TO 'CLAIMS' FIRST MADE DURING THE 'POLICY PERIOD', OR ANY EXTENDED REPORTING PERIOD

- Item 1. Limit of Liability for this **Coverage Section:** \$
- Item 2. Deductible Amount: \$
- Item 3. Pending and Prior Litigation Date:
- Item 4. Endorsement(s) Effective at Inception:

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:

I. Insuring Clause

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

II. Extensions

A. Advancement of Defence Costs

The Company shall, prior to the final disposition of any **Claim**, advance **Defence Costs** within thirty (30) days of receipt of an invoice for same.

Any advancement of **Defence Costs** shall be repaid to the Company by the **Organisation**, 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.

III. Definitions

When used in bold type in this **Coverage Section**:

Act means i) any Act of the Parliament of the Commonwealth of Australia and/or New Zealand and any Act of the Parliaments of the States or Territories of the Commonwealth of Australia, including any subordinate or delegated legislation made under those Acts; and ii) any amendment, consolidation or re-enactment of any of the above Acts or legislation.

Claim means any written notice received by an **Organisation** alleging a **Wrongful Act** resulting in the **Organisation** being liable to pay a **Penalty**.

Defence Costs means that part of **Loss** consisting of reasonable costs, charges, fees (including but not limited to legal counsels' fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of the partners, directors, officers or employees of the **Organisation** or office overheads, travel costs unrelated to a **Claim** or other administration costs) incurred in defending, investigating or settling any **Claim** and the premium for appeal, attachment or similar bonds.

Loss means **Defence Costs** and any **Penalty** which any **Organisation** becomes legally obligated to pay on account of any covered **Claim**, including any reasonable legal costs and associated expense payable by the **Organisation** to any other party by reason of an order of any **Regulatory Authority**.

Loss does not include:

- (a) any amount for which an **Organisation** is absolved from payment by reason of any covenant or agreement or order or determination of a tribunal or court;
- (b) fines or penalties imposed by law other than any **Penalty**;
- (c) any amount allocated to loss not covered by this **Coverage Section** pursuant to the Section headed **Allocation** of the General Terms & Conditions; and
- (d) matters for which the Company is legally prohibited from insuring under Australian law.

Penalty means any fine or penalty which is civil, strict or administrative which an **Organisation** is ordered to pay pursuant to any **Act** and which is insurable in the jurisdiction in which the **Claim** giving rise to the fine or penalty is determined.

Regulatory Authority means a person or entity appointed, constituted or acting under a delegation pursuant to any **Act** for the purposes of enforcement of such **Act** or another **Act**, including a person or entity authorised to collect monies payable to the Consolidated Revenue Fund, consolidated fund or any other such fund.

Wrongful Act means any act or omission, including but not limited to any error, misstatement, misleading statement, neglect, breach of trust or breach of duty committed, attempted or allegedly committed or attempted by an **Organisation**.

IV. Exclusions

The Company shall not be liable for **Loss** on account of any **Claim**:

(i) 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 this **Coverage Section** is a renewal or replacement or which it may succeed in time;

(ii) Pending or 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 **Organisation** on or prior to the Pending or Prior Date set forth in Item 3. of the Schedule or the same or substantially the same facts or circumstances underlying or alleged therein;

(iii) 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;

(iv) Restrictive Trade Practices

based upon, arising from or in consequence of 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 or restraint of trade, or which protects competition;

(v) Damages

based upon, arising from, or in consequence of:

- (a) any amount payable as compensation;
- (b) any compliance, remedial, reparation or restitution costs;
- (c) any damages, including any exemplary, or punitive damages or the multiple portion of any multiplied damage award; or
- (d) any consequential economic loss;

(vi) Professional Services

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

(vii) Conduct

based upon, arising from or in consequence of any deliberate conflict of interest, dishonest, deliberately criminal or deliberately fraudulent, or malicious act or omission or any wilful 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 an **Organisation**;

(viii) Tax

based upon, arising from or in consequence of any actual or alleged act or omission in connection with a requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue or impost or damages reflecting taxes;

(ix) Traffic

based upon, arising from or in consequence of any actual or alleged violation of the responsibilities, obligations or duties imposed by any law, regulation or by-law relating to vehicular, air or marine traffic and any amendments thereto;

(x) Corporations Act

based upon, arising from or in consequence of any actual or alleged violation of the responsibilities, obligations or duties imposed by Sections 182, 183, 601FD, 601JD of the Corporations Act 2001 (Cth) or any similar law anywhere in the world, and any amendments thereto;

(xi) USA

brought and maintained, in whole or in part, in or subject to the substantive and procedural laws of the United States of America and any territory under its jurisdiction;

(xii) Pollution

based upon, arising from or in consequence of **Pollution**;

(xiii) Superannuation

based upon, arising from or in consequence of any actual or alleged violation of the responsibilities, obligations or duties imposed by the Superannuation Guarantee (Administration) Act 1992 (Cth), the Employee Retirement Income Security Act, 1974 (USA) or any similar law anywhere in the world, and any amendments thereto; or

(xiv) Employment

based upon, arising from or in consequence of the employment relationship or the nature, terms or conditions of employment.

V. Severability of Exclusions

With respect to the Conduct Exclusion, in this **Coverage Section** in order to determine if coverage is available only facts pertaining to and knowledge possessed by any past, present or future chief financial officer, in-house general counsel, chief executive officer, company secretary, chairman, president or managing director or equivalent thereof, of an **Organisation** shall be imputed to such **Organisation**.

Forefront Portfolio
Policy Wording

Crime Coverage Section

CHUBB®

Schedule

Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES LOSS DISCOVERED COVERAGE WHICH APPLIES ONLY TO LOSS FIRST DISCOVERED DURING THE POLICY PERIOD.

Item 1. Limit of Liability for this Coverage Section:

Insuring Clauses	Limit of Liability	Deductible Amount
A. Employee Theft Coverage:	\$	\$
B. Premises Coverage:	\$	\$
C. In Transit Coverage:	\$	\$
D. Forgery Coverage:	\$	\$
E. Computer Fraud Coverage:	\$	\$
F. Funds Transfer Fraud Coverage:	\$	\$
G. Counterfeit Currency Fraud Coverage:	\$	\$
H. Credit Card Fraud:	\$	\$
I. Client Coverage:	\$	\$
J. Expense Coverage:	\$	Nil

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) Effective at Inception:

Item 3. Territory:

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

I. Insuring Clauses

A. Employee Theft Coverage

The Company shall pay the **Principal Organisation** for direct loss of **Money, Securities or Property** sustained by an **Insured** resulting from fraud or dishonesty committed by an **Employee**, whether acting alone or in collusion with others, which direct loss is **Discovered** during the **Policy Period** or Extended Discovery Period.

B. Premises Coverage

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

- (i) the unlawful taking of **Money, Securities or Property** committed by a **Third Party**, or
- (ii) 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 Reporting 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**.

C. In Transit Coverage

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

- (i) the unlawful taking of **Money, Securities or Property** committed by a **Third Party**; or
- (ii) the actual destruction or disappearance of **Money or Securities**,

while **In Transit** or while temporarily within the home of an **Employee** or a partner of an **Insured** 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 **Employee** or a partner of an **Insured** which is a partnership,

committed by a **Third Party**.

D. Forgery Coverage

The Company shall pay the **Principal Organisation** for direct loss sustained by an **Insured** 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, including:

- (i) any cheque or draft made or drawn in the name of such **Insured** payable to a fictitious payee and endorsed in the names of such fictitious payee;
- (ii) any cheque or draft procured in a face to face transaction with such **Insured** or with one acting as the agent of such **Insured** by a **Third Party** impersonating another and made or drawn payable to the other impersonated and endorsed by a **Third Party** other than such one impersonated; and
- (iii) any payroll cheque, payroll draft or payroll order made or drawn by such **Insured** payable to bearer as well as to a named payee and endorsed by a **Third Party** other than such named payee without the authority of such named payee.

E. Computer Fraud Coverage

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

F. Funds Transfer Fraud Coverage

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

G. Counterfeit Currency Fraud Coverage

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

H. Credit Card Fraud Coverage

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

I. 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 **Employee** 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.

J. Expense Coverage

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

No Deductible Amount shall apply to **Investigative Costs** or **Computer Violation Expenses** covered under Insuring Clause 1 (J).

II. Definitions

When used in bold type in this **Coverage Section**:

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.

Client means a customer of an **Insured** to whom such **Insured** provides goods or services under a written contract or for a fee or other monetary consideration.

Computer Fraud means the unlawful taking or the fraudulently induced transfer of **Money, Securities or Property** resulting from a **Computer Violation**.

Computer System means a computer or network of computers, including its input, output, processing, storage, off-line media library and communication facilities provided that such computer, computer network and facilities are owned and operated or leased and operated by an **Insured**.

Computer Violation means the fraudulent:

- (a) entry of **Data** into or deleting of **Data** from a **Computer System**;
- (b) change to **Data** elements or program logic of a **Computer System**, which is kept in a machine readable format; or
- (c) introduction of instructions, programmatic or otherwise, which propagate themselves through a **Computer System**, directed against an **Insured**.

Computer Violation Expenses means reasonable expenses resulting from any direct loss covered under Insuring Clause 1 (A) (E) or (I) 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 **Insured** or office overheads, travel costs unrelated to a loss covered under this policy or other administration costs) incurred by an **Insured**, 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**.

Counterfeit Currency Fraud means the acceptance in good faith and in the ordinary course of business by an **Insured** of:

- (a) 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
- (b) counterfeit currency.

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 **Insured** or at the request of an **Insured**, to any **Employee** or to any partner of an **Insured** that is a partnership.

Data means representation of information, knowledge, facts, concepts or instructions which are processed and stored in a **Computer System**.

Discovery or **Discovered** means knowledge acquired by an **Executive** or **Insurance Representative** of facts which would cause a reasonable person to believe a loss of the type covered by this Coverage Section has occurred or acts have taken place which may subsequently result in such loss. This includes loss; (a) sustained prior to the inception date of this **Coverage Section**; (b) loss which does not exceed the Deductible Amount as set forth in the Schedule; or (c) loss which the exact amount or details of which are unknown. **Discovery** or **Discovered** shall not include knowledge acquired or possessed by an **Executive** 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.

Employee means a natural person:

- (a) while in the regular service of an **Insured** in the ordinary course of such **Insured's** business whom such **Insured** has the right to govern and direct in the performance of such service whether the **Insured** compensates such person by salary, wages and/or commissions or whether such person is a volunteer;
- (b) who is an **Executive** while performing acts within the scope of the usual duties of an employee as described in paragraph (a) of this definition;
- (c) while in the service of any **Superannuation Fund** as fiduciary, trustee, administrator, officer or employee as described in paragraph (a) of this definition; or
- (d) assigned to perform duties within the scope of the usual duties of an employee, as described in paragraph (a) of this definition, within **Premises** for an **Insured** by any agency furnishing temporary personnel on a contingent or part time basis. However, this Coverage Section does not cover any loss caused by any such person if such loss is also covered by any insurance or sureties held by the agency furnishing such temporary personnel to an **Insured**

Employee shall not include any agent, broker, factor, commission, merchant, consignee, contractor, subcontractor or similar representative.

Executive means a natural person who is duly elected or appointed director or officer, or equivalent positions in any jurisdiction, of an **Insured**. **Executive** shall include a partner of an **Insured** that is a partnership.

Financial Instrument 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 **Insured** or made or drawn by any person acting as an **Insured's** agent or that is purported to have been so made or drawn.

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.

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

Insurance Representative means an **Employee** designated to represent an **Insured** for the purpose of effecting and maintaining insurance.

Insured means collectively, the **Organisation**, any **Subsidiary** and, with respect to Insuring Clause 1.A only, any **Superannuation Fund**.

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 **Employee** or a person duly authorised by an **Insured** 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.

Investigative Costs means reasonable expenses, (other than regular or overtime wages, **Salary** or fees of the company directors, officers or employees of an **Insured** or office overheads, travel costs unrelated to a loss or other administration costs) incurred by an **Insured**, with the Company's prior written consent, to establish the existence and amount of any direct loss covered by Insuring Clauses 1.A through to 1.I which are excess of the Deductible Amount applicable to such direct loss.

Investigative Costs shall not include expenses incurred by any **Client**.

Money means currency, coin, bank notes and bullion.

Premises means the interior of any building occupied by an **Insured** in conducting its business.

Property means tangible property other than **Money** or **Securities**.

Robbery means the unlawful taking of **Money, Securities or Property** from the custody of an **Employee** or other natural person (except a person acting as a watchman, porter or caretaker) authorised by an **Insured** to have custody of such **Money, Securities or Property**, by violence or threat of violence, committed in the presence and cognizance of such **Employee** or other natural person.

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**.

Salary means compensation an **Insured** pays an **Employee**, including but not limited to any bonus, commission, incentive payments and the cost of health, welfare and superannuation benefits.

Securities means 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.

Subsidiary means any organisation in which one or more **Insureds**:

- (a) controls the composition of the organisation's board;
- (b) is in a position to cast, or control the casting of, more than fifty (50%) percent of the maximum number of votes that might be cast at a general meeting of the organisation; or
- (c) holds more than fifty (50%) of the issued share capital of the organisation (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

Superannuation Fund means any superannuation fund established by an **Insured** for the sole benefit of employees of such **Insured**.

Theft means the unlawful taking of **Money, Securities or Property** to the deprivation of an **Insured** with respect to Insuring Clause (A); or a **Client** with respect to Insuring Clause (I).

Third Party means a person other than an **Employee**, or a person acting in collusion with an **Employee**.

III. Exclusions

A. Exclusions Applicable to All Insuring Clauses

No coverage will be available under this **Coverage Section** for:

(i) *Confidential Information*

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

(ii) *Partner*

loss due to fraud or dishonesty committed by a partner in an **Insured** that is a partnership, whether acting alone or in collusion with others, provided that if such fraud or dishonesty would otherwise be covered under Insuring Clause (A) or (I) this exclusion shall not apply to the extent that coverage is excess of the amount of such partner's percentage ownership of such **Insured** on the day immediately preceding the date of **Discovery** multiplied by such **Insured's** total assets as reflected in its most recent, audited financial statements;

(iii) War

loss or damage due to war (whether declared or not); civil war; insurrection; rebellion or revolution; military, naval or usurped power; governmental intervention, expropriation or nationalisation; or any act or condition incident to any of the foregoing;

(iv) Loss of Income

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

(v) Consequential Loss

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

(vi) Legal Proceedings

fees, costs or expenses incurred or paid by an **Insured** in prosecuting or defending any legal proceeding or claim; provided that this exclusion shall not apply to the coverage provided under Section VI, Legal Expenses Extension;

(vii) Exchange or Purchase

loss due to an **Insured** knowingly having given or surrendered **Money, Securities** or **Property** in any exchange or purchase with a **Third Party**; provided that this exclusion shall not apply to loss otherwise covered under Insuring Clause (E) or (G);

(viii) Insured Advantage

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

(ix) Safe Deposit

loss of or damage to **Money, Securities** or **Property** while in the custody of any **or Armoured** bank or authorised deposit taking institution, armoured motor vehicle company **Motor Vehicle** or any person who is duly authorised by an **Insured** 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 **Insured** 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;

(x) Trading

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

(xi) Data

fees, costs or expenses incurred or paid:

- (a) as a result of the reconstitution of **Data** if an **Insured** knowingly uses illegal copies of programs;
- (b) to render the **Data** usable by replacement processing equipment;
- (c) to design, update or improve software programs or to perfect their operation or performance; or
- (d) 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**;

(xii) 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

(xiii) Authorised Representative

loss or damage due to **Theft**, fraud, dishonesty, **Forgery, Computer Fraud, Representative Funds Transfer Fraud, Counterfeit Currency Fraud, Credit Card Fraud** or any criminal act (other than **Robbery** or **Safe Burglary**) committed by any authorised representative of an **Insured**, whether acting alone or in collusion with others, provided that this exclusion does not apply to loss otherwise covered under Insuring Clause (A) or (I) resulting from **Theft**, fraud or dishonesty committed by an **Employee** acting in collusion with such authorized representative.

B. Exclusions Applicable to Insuring Clause 1. A or 1. I

No coverage will be available under Insuring Clause 1.A or 1.I for:

(i) *Known Dishonesty*

loss caused by an **Employee** which is sustained by an **Insured**:

- (a) after an **Executive** or **Insurance Representative** becomes aware of a **Theft**, fraud or dishonesty committed by such **Employee** while employed with an **Insured**;
- (b) after an **Executive** 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 **Employee** prior to employment with an **Insured**, or

(ii) *Agents*

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

C. Exclusions Applicable to Insuring Clauses 1.B or 1.C

No coverage is available under Insuring Clause 1.B or 1.C for loss or damage:

(i) *Forgery*

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

(ii) *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.

D. Exclusion Applicable to Insuring Clauses 1.B, 1.C, 1.E or 1.F

No coverage is available under Insuring Clause 1.B, 1.C, 1.E or 1.F for loss or damage as a result of a kidnap, ransom or extortion payment (as distinct from **Robbery**) made by or on behalf of an **Insured**.

E. Exclusions Applicable to Insuring Clause 1.D

No coverage is available under Insuring Clause (D) for loss due to **Forgery** or alteration of:

(i) *Third Party*

any **Financial Instrument** committed by any **Third Party** in collusion with any **Employee**; or

(ii) *Coupons*

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

F. Exclusion Applicable to Insuring Clause 1.H

No coverage is available under Insuring Clause 1.H for loss due to any forgery or alteration of, on or in any written instrument provided that this exclusion shall not apply if:

(i) *Credit Card Conditions*

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

(ii) *Legal Liability*

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

IV. Discovery and Liability for Prior Losses

Coverage is available for loss sustained at any time and **Discovered** during the **Policy Period**, or the Extended Discovery Period, if applicable.

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 **Insured**; or the effective date of any coverage added by endorsement, such prior loss is subject to the following:

- A. if an **Insured** was insured under a prior policy issued by a company other than the Company which, at the time such loss was sustained afforded coverage for such prior loss, and such prior loss was first discovered prior to the expiration of the time allowed for discovery under such prior policy, then no coverage shall be available under this Coverage Section, unless the total amount of covered loss exceeds the limit of liability of such prior policy and, in such an event, the Company's Limit of Liability for any such loss will be in excess of the limit of liability of such prior policy and will be subject to all of the terms and conditions of this Coverage Section; or
- B. if an **Insured** was insured under a prior policy issued by the Company which, at the time such loss was sustained, afforded coverage for such prior loss, then such 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 Schedule of this Coverage Section.

The **Insured** 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 **Insured** 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 Schedule for this Coverage Section.

V. Ownership

The Company's liability under this **Coverage Section** shall apply only to **Money, Securities, or Property** owned by an **Insured**; for which it is legally liable; or held by it in any capacity, whether or not it is liable, provided that the Company shall not be liable for damage to **Premises** unless an **Insured** is the owner of such **Premises** or is legally liable for such damage.

With respect to Insuring Clause (I) only, the Company's liability under this **Coverage Section** shall apply only to **Money, Securities or Property** owned by a **Client** for which an **Insured** is legally liable or held by it in any capacity.

VI. Legal Expenses Extension

In addition to the Limits of Liability set forth in the Schedule, the Company shall pay the **Principal Organisation**:

- (a) With respect to **Forgery** coverage under Insuring Clause (D), reasonable court costs and legal fees incurred and paid with the Company's prior written consent in defending an **Insured** or an **Insured'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 Insuring Clause (H), reasonable court costs and lawyers' fees incurred and paid with the Company's prior written consent in defending an **Insured** in any legal proceeding brought against it to enforce payment of a written instrument required in connection with any credit card.

VII. Limit of Liability and Deductible

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 Schedule, regardless of the number of **Insureds** sustaining the loss.

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.

All loss resulting from a single act or any number of acts of the same **Employee** 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 will apply, subject to Section IV, Discovery and Liability for Prior Losses.

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

VIII. Non-Accumulation of Liability

When there is more than one **Insured**, the maximum liability of the Company for loss sustained by one or all **Insureds** shall not exceed the amount for which the Company would be liable if all losses were sustained by any one **Insured**.

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**.

IX. Proof of Loss and Legal Proceedings

It is a condition of coverage hereunder 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.

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 **Insured's** or **Client's** inventory records and actual physical counts of its inventory to prove the amount of loss only where an **Insured** establishes that, wholly apart from such comparison, it has sustained a covered loss caused by an **Employee**.

X. Extended Discovery Period

If this Coverage Section is terminated or not renewed by the Company for any reason, other than non-payment of premium, the **Insured** shall 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.

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.

If the Extended Discovery Period is purchased in accordance with this Section then:

- (a) it cannot be cancelled by the **Insureds** or the Company; and
- (b) the entire premium shall be deemed fully earned at the inception of the Extended Discovery Period.

XI. Termination as to Any Employee

For the purposes of coverage under Insuring Clause (A) and Insuring Clause (I), **Employee** shall include an **Employee** for a period of sixty (60) days following termination of employment with an **Insured**.

XII. Valuation

The Company shall pay on the bases of valuation set out below in respect of the following categories of covered loss:

- (a) loss in respect of **Securities**: the least of: (1) 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**; (2) the cost of replacing the **Securities**; or (3) the cost to post a Lost Instrument Bond. Such costs shall be paid by the Company on behalf of an **Insured**;
- (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 **Insured** 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 with Section X, Extended Discovery Period.

**Forefront Portfolio
Policy Wording**

**Kidnap, Ransom and Extortion
Coverage Section**

CHUBB®

Schedule

Chubb Insurance Australia Limited
ABN 23 001 642 020 AFSL 239687

Herein called the Company

THIS COVERAGE SECTION PROVIDES LOSS DISCOVERED COVERAGE WHICH APPLIES ONLY TO LOSS FIRST DISCOVERED DURING THE POLICY PERIOD.

Item 1. Limit of Liability for this Coverage Section:

Insuring Clauses	Limit of Liability
Insuring Clause A - Kidnap and Extortion Coverage	\$
Insuring Clause B - Custody Coverage	\$
Insuring Clause C - Expenses Coverage	\$
(i) Sub Limit for Recall Expenses	\$
(ii) Sub Limit for Rest and Rehabilitation Expenses	\$
Insuring Clause D - Accidental Loss Coverage	\$
Insuring Clause E - Legal Liability Costs Coverage	\$

Item 2. Insured:

Item 3. Excluded Territory: As defined in the section headed Definitions.

Item 4. Endorsement(s) Effective at Inception:

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:

I. Insuring Clauses

A. Kidnapping and Extortion Coverage

The Company shall reimburse the **Principal Organisation** for direct loss of property or other consideration surrendered as payment by or on behalf of an **Principal Organisation** resulting from **Kidnapping, Extortion Threat or Cyber Extortion**.

B. Custody Coverage

The Company shall reimburse the **Principal 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, Extortion Threat or Cyber Extortion**, while being held or conveyed by a person authorised by an **Principal Organisation**.

C. Expense Coverage

The Company shall reimburse the **Principal Organisation** for **Expenses** paid by an **Principal Organisation** resulting directly from a covered **Kidnapping, Extortion Threat or Cyber Extortion**, or resulting directly from a **Hijacking, Political Threat or Wrongful Detention**.

D. 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**.

E. Legal Liability Costs Coverage

The Company shall reimburse the **Principal Organisation** for **Legal Liability Costs**

II. Definitions

When used in bold type in this **Coverage Section**:

Accidental Loss means **Loss of Life, Loss of Use, Loss of Sight, Loss of Speech and/or Hearing or Mutilation** of an **Insured Person** when such **Accidental 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**.

Computer System means a computer or network of computers and all input, output, processing, storage, off-line media libraries and communication facilities which are connected to such computer or network of computers, provided that such computer or network of computers and facilities are owned and operated or leased and operated by an **Insured**.

Consequential Personal Financial Loss means pecuniary loss incurred by an **Insured Person**, 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 respond to margin or loan calls by financial institutions.

Contaminate means to introduce a foreign material or substance, which would render any tangible property unfit for use or sale.

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**.

Cyber Extortion means a threat made directly against an **Organisation** to:

- (a) alter, damage, destroy or render unusable any **Data** owned by such **Organisation** or for which such **Organisation** is legally liable; or
- (b) disseminate, divulge or utilise a **Record**,

by the fraudulent input of **Data** by means of a **Cyber-attack** into a **Computer System** by a person or group, whether acting alone or in collusion with others, where such person or group has fraudulently accessed or alleges to have fraudulently accessed such **Computer System** and is demanding payment or a series of payments, in exchange for the mitigation or removal of such threats. However, such threat shall not constitute a **Cyber Extortion** unless, prior to surrendering property or other consideration as payment by or on behalf of an **Organisation**, such **Organisation** conducts a reasonable investigation and reasonably determines that such threat is technologically credible.

All such threats:

- (i) related by a common committed, attempted or threatened act; or
 - (ii) made contemporaneously against the same **Organisation** or involving the same **Data, Record** or **Cyber-attack**,
- will be deemed to constitute a single **Cyber Extortion**.

Data means information, knowledge, facts, concepts or instructions which are processed and stored in a **Computer System**.

Employee means a natural person:

- (a) while in the regular service of an **Organisation** in the ordinary course of such **Organisation's** business whom such **Organisation** has the right to govern and direct in the performance of such service whether the **Organisation** compensates such person by salary, wages and/or commissions or whether such person is a volunteer;
- (b) who is an **Executive** while performing acts within the scope of the usual duties of an employee as described on paragraph (a) of this definition; or
- (c) while in the service of any **Superannuation Fund** as fiduciary, trustee, administrator, officer or employee as described in paragraph (a) of this definition.

Employee shall not include any agent, broker, factor, commission merchant, consignee, contractor, subcontractor or similar representative.

Excluded Territory means Algeria, Colombia, Georgia, India, Indonesia, Iraq, Israel, Malaysia, Pakistan, Peru, The Philippines, Russia, Sri Lanka, Uzbekistan, Haiti, Iran, The Ivory Coast or Thailand together with any additional territories set forth in Item 3 of the Schedule for this Coverage Section.

Executive means a natural person who is a duly elected or appointed director or officer, or equivalent positions in any jurisdiction, of an **Organisation**. **Executive** shall include a partner of an **Organisation** that is a partnership.

Expenses means:

- (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 Insuring Clause A;
 - (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 **Employee** following the **Kidnapping, Wrongful Detention** or **Hijacking** of such **Employee**. Such coverage shall apply to the **Salary** of such **Employee** in effect at the time of such **Kidnapping, Wrongful Detention** or **Hijacking** and will end thirty (30) days after such **Employee** 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 **Employee** following such **Kidnapping, Wrongful Detention, or Hijacking** of such **Employee**. Such coverage shall apply up to the **Salary** of such **Employee** in effect at the time of such **Kidnapping, Wrongful Detention, or Hijacking** and will end thirty (30) days after such **Employee** is released or suffers **Loss of Life**, or sixty (60) months after such **Kidnapping, Wrongful Detention or Hijacking** began, whichever is more recent;
 - (xiii) **Consequential Personal Financial Loss** which an **Insured Person** suffers as the result of such **Insured Person's** inability to attend to personal financial matters;
 - (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) solely in connection with a **Cyber Extortion**, only the reasonable fees and expenses for or cost of:
- (i) an independent negotiator;
 - (ii) assessment of such **Cyber Extortion** by an independent network security consultant;
 - (iii) an independent public relations consultant;
 - (iv) travel and accommodation of an **Insured Person;**
 - (v) independent legal advice (other than defence costs);
 - (vi) interest for a loan taken by an **Organisation** for property or other consideration surrendered as payment under Insuring Clause A;
 - (vii) 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 **Cyber Extortion;**
- (d) other reasonable expenses incurred by an **Organisation**, subject to the Company's prior written approval.

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

- (a) commit a **Kidnapping** of, do bodily harm to, or wrongfully abduct or detain any **Insured Person;**
- (b) damage, destroy or **Contaminate** any **Property;**
- (c) disseminate, divulge or utilise any **Proprietary Information;** or
- (d) disseminate or make public negative information regarding **Merchandise** that has been the subject of a prior threat under (b) 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:

- (i) related by a common committed, attempted or threatened act; or
- (ii) 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**.

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:

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

Instructions means an ordered set of **Data** representing coded information that, when executed by a **Computer System,** causes such **Computer System** to process **Data** or perform one or more operations.

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

Insured Person means:

- (a) any **Employee**;
- (b) any **Relative** of an **Employee**;
- (c) any natural person who is employed in the household of an **Employee** while in the home of such **Employee**;
- (d) any natural person who is a legal resident in the home of an **Employee** or a guest while in the home of an **Employee**;
- (e) any customer or guest of an **Organisation** while on the **Premises** of such **Organisation**;
- (f) any customer or guest of an **Organisation** while traveling on or in an aircraft, watercraft or motor vehicle with an **Employee**; or
- (g) any natural person who is temporarily retained by an **Organisation** to deliver a ransom or extortion payment.

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**.

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:

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

provided that such **Organisation** agrees as a condition to coverage under Insuring Clause E to co-operate with the Company in conducting the defence or in negotiating the settlement of such suit.

Loss of Life means:

- (a) death, including clinical death, determined by a medical examiner or similar local governing medical authority; or
- (b) 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:
 - (i) such **Kidnapping, Hijacking** or **Wrongful Detention**;
 - (ii) the last communication from such **Insured Person**; or
 - (iii) the last communication from those responsible for such **Kidnapping, Hijacking** or **Wrongful Detention**.

Loss of Sight means the permanent loss of sight to the extent of legal blindness.

Loss of Speech and/or Hearing means the permanent total loss of the capability of speech and/or hearing.

Loss of Use means the permanent total loss of function of a foot, hand, or thumb and index finger.

Merchandise means an **Organisation's** inventory, raw materials, work in progress or products manufactured or distributed by an **Organisation**.

Mutilation means the permanent total loss of an entire finger, toe, ear, nose or genital organ.

Organisation means, collectively, the **Principal Organisation** and any **Subsidiary**, or any one of them.

Political Threat means a politically motivated threat or threats made solely and directly against an **Organisation** to do bodily harm to an **Employee** or a **Relative** of an **Employee** by a person or group:

- (a) acting as an agent of or with tacit approval of any government or governmental entity; or
- (b) acting or purporting to act on behalf of any political terrorist or insurgent party, organisation or group.

All such threats:

- (i) related by a common committed, attempted or threatened act; or
- (ii) made contemporaneously against the same **Employee** or **Relative** of an **Employee**,

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

Premises means buildings or facilities occupied by an **Organisation** in conducting its business.

Property 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.

Proprietary Information means any confidential, private or secret information of an **Organisation** and unique to such **Organisation's** business, contained in or on drawings, negatives, microfilm, tapes, transparencies, manuscripts, prints, computer discs or other records of a similar nature, provided that such information is protected by physical or electronic control or other reasonable efforts to maintain non-disclosure of such information.

Recall Expenses means:

- (a) reasonable expenses for transportation; and
- (b) other reasonable expenses, subject to the Company's prior written approval,
- (c) incurred by an **Organisation** in the withdrawal, physical inspection or destruction of **Merchandise**.

Record means information about a customer held by an **Organisation** pertaining to that customer's relationship with such **Organisation**, which is not publicly available and is stored in an electronic medium, provided that such information is protected by electronic control to maintain non-disclosure of such information.

Relative means spouses, **Domestic Partners**, siblings, ancestors, spouses' ancestors, lineal descendants or lineal descendants' spouses. Lineal descendants include adopted children, foster children and stepchildren. Ancestors include adoptive parents and step-parents.

Salary means compensation an **Organisation** pays an **Employee**, including bonus, commission, incentive payments and the cost of health, welfare and superannuation benefits.

Subsidiary means any organisation in which one of more **Organisations**:

- (a) controls the composition of the organisation's board;
- (b) is in a position to cast, or control the casting of, more than fifty (50%) percent of the maximum number of votes that might be cast at a general meeting of the organization; or

holds more than fifty (50%) of the issued share capital of the organisation (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital)

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.

III. Exclusions

(A) Coverage under this **Coverage Section** does not apply to:

- (i) loss due to any fraudulent, dishonest or criminal act of an identifiable **Employee**, whether acting alone or in collusion with others; provided that this Exclusion (i) shall not apply to the extent that coverage under this **Coverage Section** is excess of the amount available to an **Organisation**, whether collectible or not, under any other bond, insurance or indemnity which would cover such loss in whole or in part;
- (ii) 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;
- (iii) 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**;
- (iv) loss of income not realised as the result of a covered loss;
- (v) **Recall Expenses** for or due to:
 - (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**;
 - (vi) loss arising from **Wrongful Detention** or **Political Threat** due to:
 - (a) any violation of law of the host country by an **Insured**; or
 - (b) failure of an **Insured** to procure or maintain proper immigration, work, residence or similar visas, permits or other documentation;
 - (vii) loss sustained by one **Insured** to the advantage of any other **Insured**;
 - (viii) loss unless the **Kidnapping, Extortion Threat, Cyber Extortion, Political Threat, Wrongful Detention or Hijacking** occurs prior to:
 - (a) termination of this **Coverage Section** as to any applicable **Insured** and is discovered and communicated in writing to the Company as soon as practicable, but in no event later than sixty (60) days following the effective date of such termination;
 - (b) termination of any Insuring Clause or termination of any particular coverage offered under any Insuring Clause and is discovered and communicated in writing to the Company as soon as practicable, but in no event later than sixty (60) days following the effective date of such termination; or
 - (c) termination of this **Coverage Section** in its entirety and is discovered and communicated in writing to the Company as soon as practicable, but in no event later than sixty (60) days following the effective date of such termination.
 - (ix) loss resulting from fraud by an **Insured Person**, whether acting alone or in collusion with others, allegedly the subject of an **Accidental Loss**;
 - (x) loss of any property, any payments made or legal obligations or expenses incurred in any **Excluded Territory**.
- B. Coverage under Insuring Clause B, C, D or E does not apply to loss of property or other consideration actually surrendered as a ransom or extortion payment covered under Insuring Clause A.
- C. Coverage under Insuring Clause A does not apply to:
- (i) loss of property or other consideration surrendered 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
 - (ii) loss of property or other consideration surrendered 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.

IV. Beneficiary

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**.

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 spouse or **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**.

V. Limits of Liability

The Company shall only be liable for a **Kidnapping, Extortion Threat, Cyber Extortion, Hijacking, Political Threat or Wrongful Detention** that first occurs during the **Policy Period**.

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 in the Schedule for this Coverage Section, regardless of the number of **Insureds** sustaining such loss.

The Company's maximum liability shall not exceed the Limit of Liability:

- (a) Applicable to Insuring Clause A as set forth in Item 1(A) of the Schedule for this **Coverage Section**: for all loss of property and other consideration actually surrendered as ransom and extortion payments arising from one **Extortion Threat, Kidnapping or Cyber Extortion** and any related **Extortion Threat, Kidnapping or Cyber Extortion**, or a series of related **Extortion Threats, Kidnappings or Cyber Extortions**;
- (b) Applicable to Insuring Clause B as set forth in Item 1(B) of the Schedule for this **Coverage Section**: for all loss of property and other consideration intended as ransom and extortion payments arising from one **Extortion Threat, Kidnapping or Cyber Extortion** and any related **Extortion Threat, Kidnapping or Cyber Extortion**, or a series of related **Extortion Threats, Kidnappings or Cyber Extortions**;
- (c) Applicable to Insuring Clause C as set forth in Item 1(C) of the Schedule for this **Coverage Section**: for all **Expenses** arising from one **Extortion Threat, Kidnapping, Cyber Extortion, Hijacking, Political Threat or Wrongful Detention** and any related **Extortion Threat, Kidnapping, Cyber Extortion, Hijacking, Political Threat or Wrongful Detention**, or a series of related **Extortion Threats, Kidnappings, Cyber Extortions, Hijackings, Political Threats or Wrongful Detentions**;
- (d) Applicable to Insuring Clause D as set forth in Item 1(D) of the Schedule for this **Coverage Section**: for all **Accidental Loss** arising from one **Extortion Threat, Kidnapping, Hijacking or Wrongful Detention** and any related **Extortion Threat, Kidnapping, Hijacking or Wrongful Detention**, or a series of related **Extortion Threats, Kidnappings, Hijackings or Wrongful Detentions**;
- (e) Applicable to Insuring Clause 5 as set forth in Item 1(E) of the Schedule for this **Coverage Section**: for all **Legal Liability Costs** arising from one **Kidnapping, Hijacking, Wrongful Detention or Extortion Threat** (as described in subparagraph (a) of the definition of **Extortion Threat**) and any related **Kidnapping, Hijacking, Wrongful Detention, or Extortion Threat** (as described in subparagraph (a) of the definition of **Extortion Threat**), or a series of related **Kidnappings, Hijackings, Wrongful Detentions or Extortion Threats** (as described in subparagraph (a) of the definition of **Extortion Threat**).

The Company's maximum liability for all **Recall Expenses** shall be the Sub limit as set forth in Item 1(C)(i) of the Schedule for this **Coverage Section**. Such amount shall be part of, and not in addition to, the Limit of Liability as set forth in Item 1(C) of the Schedule for this **Coverage Section**.

The Company's maximum liability for all rest and rehabilitation expenses (as described in subparagraph (a)(xv) of the definition of **Expenses**) shall be the Sub limit as set forth in Item 1(C)(ii) of the Schedule for this **Coverage Section**. Such amount shall be part of, and not in addition to, the Limit of Liability as set forth in Item 1(C) of the Schedule for this **Coverage Section**.

VI. Non-Accumulation of Liability

When there is more than one **Insured**, the maximum liability of the Company 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**.

Regardless of the number of years this policy remains in effect and the total premium amounts due or paid, whether under this **Coverage Section**, any prior bond or policy, or any renewal or replacement of this **Coverage Section**, the liability of the Company with respect to any loss shall not be cumulative from year to year or from policy period to policy period.

VII. Loss Sustained

A loss shall be deemed to have been sustained under:

- (a) Insuring Clause 1.A, at the time of the surrender of the ransom or extortion payment;
- (b) Insuring Clause 1.B, at the time of the actual destruction, disappearance, confiscation or unlawful taking of the property or other consideration;
- (c) Insuring Clause 1.C, at the time of the payment of incurred **Expenses** by the **Organisation**;

- (d) Insuring Clause 1.D, at the time of the **Accidental Loss**; or
- (e) Insuring Clause 1.E, at the time the **Organisation** has made payment for any incurred expense, judgment or settlement.

VIII. Personal Assets

In the event of a ransom or extortion 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 such **Insured Person** and the **Expenses** as set forth in sub paragraphs (a)(i) through (a)(x) and (a)(xiii) through (a)(xv) of the definition of **Expenses**; incurred by or on behalf of such **Insured Person** shall, at the option of such **Organisation**, be considered property or other consideration surrendered or intended to be surrendered on behalf of such **Organisation** and **Expenses** incurred by such **Organisation**.

IX. Insured Knowledge

Knowledge possessed by, or discovery made by any **Executive** shall constitute knowledge possessed by, or discovery made by, all **Insureds**.

X. Notice - Proof of Loss

It is a condition of coverage hereunder that, at the earliest practicable moment after the occurrence of any loss hereunder, the **Principal Organisation** will:

- (a) give the Company written notice thereof;
- (b) furnish a proof of loss with full particulars to the Company within six (6) months after such occurrence;
- (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; and
- (e) fully co-operate with the Company in all matters pertaining to a claim for loss.

XI. Valuation

The company shall pay:

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

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