



COPY

Miscellaneous Professional Indemnity

Insurance Policy

Assetinsure Pty Ltd
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IMPORTANT NOTICES

Privacy Policy

Assetinsure and the Insurer are committed to safeguarding and protecting the privacy of personal information. We are bound by the provisions of the Privacy Act 1988 which sets out the standards to be met in the collection, use and disclosure of personal information.

If you require further information about our Privacy Policy, please refer to the detailed information on our website – www.assetinsure.com.au/interest.asp

If you want to access your personal information held by Assetinsure and/ or the Insurer, or wish to make a complaint in relation to privacy issues, please contact us either electronically: info@assetinsure.com.au or complaints@assetinsure.com.au or at 44 Pitt Street, Sydney, NSW, 2000.

General Insurance Code of Practice

Assetinsure has adopted the General Insurance Code of Practice which stipulates minimum standards of services to our clients. If you would like further information in regard to the Code of Practice, please refer to the Code of Practice website – www.codeofpractice.com.au or our own website – www.assetinsure.com.au/interest.asp

The Insurer is not a signatory to the Code of Practice.

Complaints Handling Procedure

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

Contact information and details of our complaints handling procedure are available on our website - www.assetinsure.com.au/interest.asp

Words with Special Meaning

In this policy document the words in bold (except for titles) have special meaning and are defined – please refer to the Definitions section.

Preamble

This is a claims made and notified insurance policy whereby Assetinsure Pty Ltd ABN 65 066 463 803 (Assetinsure) as the agent for the Insurer has accepted the Proposal Form from the Insured. Assetinsure for and on behalf of the Insurer has relied on the information contained in the Proposal Form in determining whether to enter into this Policy and the terms, conditions and exclusions of this Policy.

Assetinsure for and on behalf of the Insurer agrees with the Insured to provide insurance in accordance with the terms of this Policy in consideration of payment in full of the premium and any associated charges specified in the Schedule or any endorsement to this Policy.

Insuring Clause

The Insurer will indemnify the Insured for:

1. civil liability for any Loss incurred by the Insured arising from any Claim first made against the Insured and which is notified to the Insurer during the Policy Period for any actual or alleged Wrongful Professional Act of the Insured; and
2. Defence Costs incurred either by the Insurer or the Insured with the prior written consent of the Insurer.

Automatic Extensions

The following Extensions are automatically included in this Policy and are always subject to the other terms, conditions and exclusions of this Policy unless specifically expressed to the contrary.

In no event will the operation of any Automatic Extension increase the Limit of Indemnity specified in the Schedule.

1. Inquiry Costs

The Insurer will indemnify the Insured for any Inquiry Costs incurred by any Insured with the prior written consent of the Insurer in respect of an Inquiry provided that:

- i. the Insured is legally required or compelled to attend such Inquiry; and
- ii. such Inquiry pertains to the conduct of the Insured Profession by the Insured or matters directly arising therefrom; and
- iii. notice of such Inquiry is first received by the Insured during the Policy Period and notified to the Insurer during the Policy Period; and
- iv. the aggregate amount of all payments made by the Insurer pursuant to this Extension will not exceed the Sub-Limit specified in Item 6 of the Schedule.

2. Misleading, Deceptive or Unconscionable Conduct


Definition 19 (Wrongful Professional Act) of this Policy is extended to include any act, error or omission in a professional capacity in the conduct of the Insured Profession that is:

- i. misleading or deceptive or likely to mislead or deceive; or
- ii. unconscionable.

3. Loss of Documents

The Insurer will indemnify the Insured for any reasonable costs and expenses incurred by the Insured with the prior written consent of the Insurer to replace and/or restore any Documents which have been damaged, destroyed or lost and after diligent search cannot be found, provided that:

- i. such Documents were damaged, destroyed or lost in the conduct by the Insured of the Insured Profession; and
- ii. such Documents were owned by a third party and were in the physical possession of the Insured within the territorial limits of the Commonwealth of Australia or New Zealand; and

- 
- iii. the subject damage, destruction or loss is first discovered by the Insured and notified to the Insurer during the Policy Period; and
 - iv. notwithstanding anything to the contrary in this Extension, the Insurer will not indemnify the Insured in respect of any damage, destruction or loss of any Documents directly or indirectly arising from, in whole or in part:
 - a. wear and tear or any other gradual process; or
 - b. any computer virus or other malicious software; or
 - c. any act, error or omission committed or made, or allegedly committed or made, by any person or entity who at the time of such act, error or omission was not an Insured; and
 - v. the Insured provides satisfactory documentary proof of such damage, destruction or loss; and
 - vi. the aggregate amount of all payments made by the Insurer pursuant to this Extension will not exceed the Sub-Limit specified in Item 6 of the Schedule.

4. Vicarious Liability

The Insurer will indemnify the Insured for any Loss incurred by the Insured arising from any Claim first made against the Insured and which is notified to the Insurer during the Policy Period for any actual or alleged Wrongful Professional Act of any Agent.

This Extension does not operate to indemnify any such Agent themselves, unless that Agent is also an Insured.

5. Infringement of Intellectual Property Rights

Definition 19 (Wrongful Professional Act) of this Policy is extended to include any infringement of Intellectual Property Rights whilst acting in a professional capacity in the conduct of the Insured Profession.

However, such definition shall not include any:

- i. intentional infringement of Intellectual Property Rights; or
- ii. infringement of Intellectual Property Rights arising from any promotional, marketing or advertising material circulated, broadcast or utilised in any way by the Insured.

Optional Extensions

The following Extensions are only included in this Policy where agreed by the Insurer and so specified in Item 7 of the Schedule. All such Extensions are always subject to the other terms, conditions and exclusions of this Policy unless specifically expressed to the contrary.

In no event will the operation of any Optional Extension increase the Limit of Indemnity specified in the Schedule.

1. Dishonesty

The Insurer shall indemnify the Insured for any Loss incurred by the Insured arising from any Claim first made against the Insured and which is notified to the Insurer during the Policy Period and which would otherwise be excluded only by reason of Exclusion 1(a) of this Policy.

However, this Extension does not operate to indemnify:

- i. any party comprising the Insured engaging in or condoning any dishonest, fraudulent, criminal, malicious, reckless or wilful conduct that is the subject of Exclusion 1(a); or
- ii. the Insured for any Loss, Defence Costs, settlement or any other payment directly or indirectly arising out of, based upon, attributable to or in consequence of any conduct occurring after the date on which the Insured first discovered, or had reasonable cause for suspicion of, any dishonest, fraudulent, criminal, malicious, reckless or wilful conduct that is the subject of Exclusion 1(a).

The aggregate amount of all payments made by the Insurer pursuant to this Extension (including any applicable Defence Costs) will not exceed the Sub-Limit specified in Item 7 of the Schedule.

2. Automatic Reinstatement

The Insurer agrees to reinstate the Limit of Indemnity in respect of Loss, Defence Costs, Inquiry Costs, settlements or any other payments arising from subsequent Claims or Inquiries unrelated to any previously notified Claim or Inquiry; however the aggregate amount so reinstated in respect of all Loss, Defence Costs, Inquiry Costs, settlements and any other payments which may be the subject of indemnity under this Policy shall not exceed the Limit of Indemnity (subject always to any applicable Sub-limit specified in any Extension or in the Schedule).

The liability of the Insurer for all Loss, Defence Costs, settlements and any other payments in respect of any single Claim will not exceed the Limit of Indemnity, and for the purposes of this Extension, where more than one Claim arises from, is based on, is attributable to, or is in consequence of, a Single Wrongful Professional Act, such Claims shall jointly constitute a single Claim.

Reinstatement under this Extension only applies in excess of the total aggregate indemnity available under any policy or policies which apply in excess of this Policy.

3. Joint Venture Liability

The Insurer will indemnify the Insured for any Loss incurred by the Insured arising from any Claim first made against the Insured and which is notified to the Insurer during the Policy Period for any actual or alleged Wrongful Professional Act of the Insured and/ or any joint venture partner of the Insured whilst engaged in any unincorporated joint venture specified in Item 12 of the Schedule.

This Extension does not operate to indemnify any such joint venture partner of the Insured.

Exclusions

1. The Insurer will not be liable to indemnify the Insured for any Loss, Defence Costs, Inquiry Costs, settlement or any other payment directly or indirectly arising out of, based upon, attributable to or in consequence of:

a) **Dishonesty or Deliberate Conduct**

- i. any actual or alleged dishonest, fraudulent, criminal or malicious conduct of any Insured, or any Agent; or
- ii. any conduct of any Insured or any Agent committed or allegedly committed with a reckless disregard for the consequences thereof; or
- iii. any conduct of any Insured or any Agent committed or allegedly committed with criminal intent or purpose, or with knowledge that such conduct was in breach of any statute, contract or duty:

b) **Fidelity**

any loss of money, precious metal, precious or semi-precious gemstones, negotiable instruments (including but not limited to shares, bearer bonds, coupons, stamps, bank or currency notes) in the custody or control of the Insured or any Agent

c) **Insolvency**

any liquidation, bankruptcy or insolvency of the Insured:

d) **Contractual or Commercial Liabilities**

- i. any liability assumed by the Insured or any Agent under a contract, unless such liability would have attached to the Insured in the absence of such contract; or
- ii. any liability assumed by the Insured or any Agent under any express guarantee or warranty; or
- iii. any duty or obligation assumed by the Insured or any Agent that is not assumed in the normal conduct of the Insured Profession; or
- iv. any trading debt incurred by the Insured; or
- v. any refund or waiver of professional fees:

e) **Known Circumstances**

- i. any facts or circumstances which may give rise to a **Claim** or an **Inquiry**, or any actual or alleged **Wrongful Professional Act** or related **Wrongful Professional Act**, notified under any previous policy; or
- ii. any facts or circumstances which may give rise to a **Claim** or an **Inquiry**, or to any actual or alleged **Wrongful Professional Act** or related **Wrongful Professional Act**, declared in the **Proposal Form** or any previous proposal form or application for insurance; or
- iii. any facts or circumstances which may give rise to a **Claim** or an **Inquiry** of which any **Insured** was aware, or ought reasonably to have been aware, prior to the **Policy Period**:

f) **Retroactive Date**

any **Wrongful Professional Act** or other act, error or omission committed, or alleged to have been committed, prior to the **Retroactive Date**:

g) **Product Liabilities**

- i. the replacement of or lack of efficacy of any goods manufactured, sold, designed, specified, formulated, constructed, installed, distributed, treated, serviced, altered, repaired or supplied by the **Insured**; or
- ii. any defect in any goods manufactured, sold, designed, specified, formulated, constructed, installed, distributed, treated, altered, repaired, supplied or serviced by the **Insured**;

except where such **Loss, Defence Costs, Inquiry Costs**, settlement or payment arises solely and directly from any advice, design or specification prepared by the **Insured** in the conduct of the **Insured Profession**:

h) **Bodily Injury/ Property Damage**

- i. bodily or mental injury, sickness, disease, death or emotional distress of any person; or
- ii. damage to or destruction of any tangible property, including loss of use thereof;

except where such **Loss, Defence Costs, Inquiry Costs**, settlement or payment arises solely and directly from a breach of a duty of care by the **Insured** in the conduct of the **Insured Profession**:

i) **Obligations to Employees**

bodily or mental injury, sickness, disease, death or emotional distress of any person arising out of, or in the course of, their employment or deemed employment by, or apprenticeship with, the **Insured**:

j) Occupier's Liability

any occupation, ownership or management of any real property by the **Insured** or any **Agent**:

k) Motor Vehicles/ Aircraft/ Watercraft

the ownership, use, operation, or maintenance of any motor vehicle, aircraft or watercraft of any kind by the **Insured** or any **Agent**:

l) War/ Terrorism

- i. war, invasion, acts of foreign enemies, or hostilities (whether war is declared or otherwise); or
- ii. insurrection, civil or military uprising, rebellion, revolution, civil war or military or usurped power; or
- iii. terrorism; being any act, or preparation in respect of an act, of any person or group of people, including but not limited to the use of or threat of force or violence, where the purpose of such act by its nature or context is to further a political, religious, ideological, ethnic or similar aim and/ or to intimidate or influence a government (whether lawfully constituted or otherwise), the public or any section of the public; or
- iv. the confiscation, nationalisation, requisition or destruction of, or damage to, any property by or under order (whether lawful or otherwise) of any government, public or local authority; or
- v. the imposition of any economic, trade or political sanctions (whether lawful or otherwise) by any sovereign power; or
- vi. the use of military or para-military force or personnel or warlike action taken by any government, public or local authority to control, prevent, suppress, defend against, retaliate or to otherwise respond to any act described in paragraphs (i) to (v) of this Exclusion:

m) **Nuclear Risks**

- i. the use, storage, handling or transport of any radioactive material; or
- ii. the use or operation of any nuclear reactor, particle accelerator, particle generator or similar device; or
- iii. ionising radiation or contamination by radioactivity from any nuclear fuel, weapon, waste or other radioactive material whether occurring naturally or otherwise; or
- iv. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or
- v. the storage, transport, assembly, disassembly, maintenance or operation of any nuclear weapon, nuclear explosive device or nuclear component thereof;

except where such **Loss, Defence Costs, Inquiry Costs**, settlement or payment arises from the use by the **Insured** or any **Agent** of radioisotopes, radium or radium compounds away from the place where such are made or produced and such use is exclusively incidental to ordinary industrial, educational, medical or research activities in the conduct of the **Insured Profession**:

n) **Asbestos**

or contributed to or aggravated by asbestos in any form or quantity:

o) **Geographical Limits**

any **Wrongful Professional Act** or other act, error or omission committed, attempted or alleged to have been committed or attempted in the United States of America, Canada, their territories, protectorates or dependencies:

p) **Licensing**

any **Wrongful Professional Act** or other act, error or omission committed, attempted or alleged to have been committed or attempted by any **Insured** or any **Agent** in the conduct of any activity for which such person or entity is not properly licensed, registered or authorised in accordance with any relevant legislation or regulation.

2. The Insurer will not be liable to indemnify the Insured for any Loss, Defence Costs, Inquiry Costs, settlement or any other payment in respect of any Claim or Inquiry:

a) **Known Claims and Inquiries**

- i. that has been notified under any previous policy; or
- ii. declared in the Proposal Form or any previous proposal form or application for insurance; or
- iii. known to any Insured prior to the Policy Period:

b) **Related Parties**

which is brought by or initiated by or on behalf of;

- i. any Insured; or
- ii. any person who is a spouse, domestic partner, companion, parent, child or sibling of the Insured, or parent of a spouse, domestic partner or companion of the Insured; or
- iii. any person or entity with a financial, executive or managerial interest in the Insured; or
- iv. any entity in which any Insured has a financial, executive or managerial interest;

this Exclusion however, does not apply to any Loss, Defence Costs, settlement or any other payment arising from any Claim made by an independent third party without the co-operation or solicitation of any Insured:

c) **Jurisdictional Limits**

- i. brought in a court of law or before a judicial, administrative, arbitral, investigative or disciplinary panel of any description outside the Commonwealth of Australia, New Zealand, their territories, protectorates or dependencies; or
- ii. directly or indirectly arising out of, based upon, attributable to or in consequence of the enforcement of any judgement, order or award obtained within or pursuant to the laws of the United States of America, Canada, their territories, protectorates or dependencies.

3. **Waived or Limited Rights**

The Insurer will not be liable to indemnify the Insured for any Loss, Defence Costs, Inquiry Costs, settlement or any other payment for which the Insured has in any way waived, limited or reduced their rights of recovery or contribution from any other party.

General Conditions

1. Limit of Indemnity


- i. The total liability of the **Insurer** under this **Policy** for all **Loss, Defence Costs, Inquiry Costs, settlements** or any other payments in respect of any one **Claim** or **Inquiry** (as applicable) and in the aggregate for all **Claims** and **Inquiries** shall in no event exceed the **Limit of Indemnity** or the applicable Sub-limit specified in any **Extension** or in the **Schedule**.
- ii. Nothing in this **Policy** operates to increase the **Limit of Indemnity** or any Sub-Limit specified in any **Extension** or in the **Schedule**.
- iii. The **Limit of Indemnity** is inclusive of any Sub-Limit specified in any **Extension** or in the **Schedule**.
- iv. Any Sub-Limit specified in any **Extension** or in the **Schedule** is an aggregate limit inclusive of any applicable **Defence Costs**.

2. Retention

- i. The **Insurer** shall only be liable to indemnify the **Insured** for such amount of any **Loss, Defence Costs, Inquiry Costs, settlement** or other payment that may be the subject of indemnity under this **Policy** (including any **Extension** or **Optional Extension**) in respect of any one **Claim** or **Inquiry** which is in excess of the retention amount specified in Item 8 of the **Schedule**. The retention amount is to be borne by the **Insured** and shall remain uninsured.
- ii. A single retention amount shall apply to all **Loss, Defence Costs, settlements** or other payments arising from all **Claims** alleging a **Single Wrongful Professional Act**.

3. Agency

- i. **Assetinsure** is not the insurer of this **Policy** but has been granted an authority by the **Insurer** to underwrite and issue this **Policy** for and on behalf of the **Insurer** under an agency agreement between **Assetinsure** and the **Insurer**.
- ii. **Assetinsure** is also authorised by the **Insurer** to:
 - a. accept all notifications in respect to **Claims**; and
 - b. accept all other notices, statements, writs, processes and other communications; and
 - c. issue all notices, statements and other communications (including but not limited to any consent required under any provision of this **Policy**);in connection with this **Policy**.
- iii. All notifications, notices, statements, writs, processes and other communications in connection with this **Policy** shall be directed to **Assetinsure** unless otherwise instructed in writing by **Assetinsure** or the **Insurer**.

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- iv. The **Insured** shall, pursuant to General Condition 3(ii)(a) above, notify **Assetinsure** in writing of any **Claim** made against the **Insured**, or any notice of an **Inquiry** received by the **Insured**, as soon as practicable during the **Policy Period**.
 - v. All notifications and other correspondence in respect to any **Claim** or **Inquiry** should be forwarded to:

Claims Department
Assetinsure Pty Ltd

44 Pitt Street
Sydney NSW 2000
Australia

PO Box R299
Sydney NSW 1225
Australia

4. **Conduct of Defence**

- i. The **Insured** shall not settle any **Claim**, incur any **Defence Costs** or **Inquiry Costs**, make any admission, offer or payment or otherwise assume any contractual obligation with respect to any **Claim** or **Inquiry** without the prior written consent of the **Insurer**. The **Insurer** shall not be liable for any settlement, **Defence Costs**, **Inquiry Costs**, admission, offer or payment, or assumed obligation to which it has not given prior written consent.
- ii. The **Insurer** shall be entitled at any time to conduct, in the name of the **Insured**, the defence or settlement of any **Claim**, or to conduct the representation of the **Insured** at any **Inquiry**. Any amount incurred by the **Insurer** on behalf of the **Insured** shall be deemed to be part of any **Loss**, **Defence Costs** or **Inquiry Costs** (as applicable) in respect of such **Claim** or **Inquiry**.
- iii. The **Insured** shall use due diligence and do and concur in all things reasonably practicable to avoid or diminish any **Loss**, **Defence Costs** and **Inquiry Costs**.
- iv. The **Insured** shall disclose to the **Insurer** all relevant information and shall provide assistance to the **Insurer** as it may reasonably require to enable the **Insurer** to investigate and to defend any **Claim**, to provide representation at any **Inquiry** and/ or to enable the **Insurer** to determine its liability under this **Policy**. The **Insured** shall bear their own costs incurred in complying with this clause.

5. **Insured's Rights in Respect of Defence and Settlement**

- i. The **Insurer** shall not require the **Insured** to contest any **Claim** unless a Senior Counsel (to be mutually agreed by the **Insurer** and the **Insured**) shall advise that such **Claim** should be contested. In formulating such advice, Senior Counsel shall take into consideration the economics of the matter (including potential **Loss**, **Defence Costs**, settlement and any other payment) and the prospects of the **Insured** successfully defending the **Claim**. The cost of such Senior Counsel's opinion shall be regarded as part of the **Defence Costs**.
- ii. In the event that the **Insurer** recommends settlement in respect of any **Claim** and the **Insured** does not agree that such **Claim** should be settled, the **Insured** may elect to contest such **Claim** provided always that the liability of the **Insurer** for all **Loss**, **Defence Costs**, settlement or other payment in connection with such **Claim** shall not exceed the amount for which the **Claim** could have been so settled.

6. Subrogation

- i. If indemnity is granted under this Policy in respect of any Loss, Defence Costs, Inquiry Costs, settlement or any other payment, the Insurer shall be subrogated to all rights of recovery, contribution and indemnity of the Insured in respect of such Loss, Defence Costs, Inquiry Costs, settlement or payment.
- ii. The Insured must always act to secure and preserve all rights of recovery, contribution and indemnity, and must provide all necessary assistance and execute all documents to enable the Insurer to enforce those rights referred to in General Condition 6(i).

7. Other Insurance

- i. This Policy shall apply only in excess over:
 - a. any other insurance specified in the Proposal Form;
 - b. any other specific project insurance declared to the Insurer under General Condition 7(ii);and any renewal or substitute for such insurances.
- ii. The Insured must notify the Insurer of any other specific project insurance to which it is a party or an insured, within 30 days of the taking out of such insurance.

8. Notice and Authority

The Insured specified in Item 2 of the Schedule shall act on behalf of all parties comprising the Insured with respect to:

- i. the receipt and acknowledgement of all notices required by law; and
- ii. the giving and receiving of any notice under this Policy; and
- iii. the payment of premiums and other charges that may become due under this Policy; and
- iv. the receipt and acceptance of any endorsements issued to form a part of this Policy.

9. Assignment

This Policy and any rights hereunder cannot be assigned without the prior written consent of the Insurer.

10. Governing Law

Any interpretation of this Policy relating to its construction, validity or operation shall be made in accordance with the laws of the Commonwealth of Australia and the state or territory in which it is issued and the parties agree to submit to the exclusive jurisdiction of the courts of that state or territory.

11. Plurals and Titles

- i. The titles of the clauses and paragraphs in this **Policy** are for convenience only and do not lend any meaning to this contract except for reference purposes.
- ii. *The singular terms used in this Policy include the plural and vice versa, except where the context requires otherwise.*
- iii. In this **Policy** words in bold (except for titles of clauses and paragraphs) have special meaning and are defined.

12. Cancellation/Termination

- i. The **Insured** may cancel this **Policy** by giving notice in writing to the **Insurer** at any time.
- ii. The **Insurer** may cancel this **Policy** in any of the relevant circumstances set out in the Insurance Contracts Act 1984, such cancellation to take effect 7 days from the time the notice of cancellation is issued by the **Insurer**.
- iii. After cancellation a refund of premium will be allowed pro-rata of 80% of the premium for the unexpired portion of the **Policy Period**.

13. Currency

All premiums, limits, retentions and other amounts under this **Policy** are expressed and payable in Australian currency.

14. Material Change to Risk

The **Insured** shall immediately notify the **Insurer** of any material change in the risk that is the subject of this **Policy** during the **Policy Period**, including but not limited to:

- i. any merger with, or acquisition of, another company, entity, partnership or business or the establishment of a subsidiary company or branch office;
- ii. the appointment of any type of administrator, receiver or liquidator, or a trustee in bankruptcy, to any **Insured**;
- iii. any material change in the nature of the professional activities of any **Insured** as represented in the **Proposal Form**;
- iv. the cancellation, suspension or loss of, or the imposition of any restriction or limitation on, any license, registration or authorisation under any legislation or regulation applicable to any aspect of the **Insured Profession**.

Where such notice is given, the **Insurer** shall be entitled to negotiate with the **Insured** the terms for the continuation of this **Policy**. The **Insurer** shall also be entitled to cancel this **Policy** in accordance with the provisions of the Insurance Contracts Act 1984.

The Insurer shall be entitled to reduce any indemnity which may be available to the Insured under this Policy in respect of any **Loss, Defence Costs, Inquiry Costs**, settlement or any other payment to the extent of any prejudice suffered by the Insurer arising from any failure by the Insured to comply with this condition.

15. Validity

This Policy is not valid unless the **Schedule** is signed by an authorised representative of **Assetinsure**.

16. Treatment of Goods & Services Tax

- i. The liability of the Insurer to the Insured in respect of any indemnity which may be available under this Policy shall be calculated taking into account any input tax credit to which the Insured is entitled for any relevant acquisition or would have been entitled had the Insured made any such relevant acquisition.
- ii. The retention amount specified in Item 8 of the **Schedule** shall apply net of any entitlement the Insured may have to an input tax credit

Definitions

1. Agent

means any consultant, sub-consultant, sub-contractor or other agent of the Insured.

2. Claim

means any civil proceedings brought against an Insured for compensation.

Where more than one Claim arises from, is based on, is attributable to, or is in consequence of, a Single Wrongful Professional Act, such Claims shall jointly constitute a single Claim for the purposes of this Policy.

3. Defence Costs

means any reasonable and necessary fees, costs and expenses resulting solely from the investigation, adjustment, defence or appeal of a Claim in respect of any Loss that is the subject of indemnity under this Policy but shall not include the travel, accommodation, salary or other employment related costs of any Insured.

4. Documents

means deeds, wills, agreements, maps, plans, books, letters, certificates, forms and any other written or printed documents of any nature whatsoever including any electronic or computer record or reproduction of such physical documents but shall not include;

- any shares, bearer bonds or coupons, stamps, bank or currency notes or any other negotiable instrument; or
- any electronically stored data; or
- any software or computer programme.

5. Inquiry

means any civil, criminal, administrative or disciplinary inquiry, investigation or hearing held by any official or legally constituted body.


6. Inquiry Costs

means any reasonable and necessary legal costs of representation at an Inquiry but shall not include any employment, travel or accommodation expenses incurred by the Insured.

7. Insured

means

- i. the legal entities specified in Item 2 of the Schedule;

- 
- ii. any natural person who is or becomes a principal, partner, director or employee of any entity specified in Definition 7(i) above during the **Policy Period**; but only in respect of services or advice provided solely for and on behalf of such entity in the conduct of the **Insured Profession**;
 - iii. any natural person who has been a principal, partner, director or employee of any entity specified in Definition 7(i) above in respect of services or advice provided solely for and on behalf of such entity in the conduct of the **Insured Profession**;
 - iv. in the event of the death, legal incompetence or bankruptcy of any natural person specified in paragraphs (ii) or (iii) above, the estate, spouse and/ or heirs of such natural person.

8. Insured Profession

means the profession as specified in Item 4 of the **Schedule** conducted by the **Insured**.

9. Insurer

means International Insurance Company of Hannover Ltd (Australian Branch) ABN 58 129 395 544 operating as a branch of International Insurance Company of Hannover Limited (Registered Address: 1 Arlington Square, Bracknell, RG12 1WA, United Kingdom).

10. Intellectual Property Rights

means any copyright, patent, registered design or trademark.

11. Limit of Indemnity

means the **Limit of Indemnity** specified in Item 6 of the **Schedule**.

12. Loss

means compensatory damages and/ or claimant's costs (whether awarded or by settlement), but shall not include;

- civil or criminal fines or penalties imposed by law; or
- punitive, exemplary, multiple or aggravated damages; or
- any amount for which the **Insured** is not financially liable or for which there is no legal recourse to any **Insured**.

13. Policy

means this wording, the **Proposal Form**, the **Schedule** and any endorsements to the wording.

14. Policy Period

means the period of time from the inception date to the expiry date specified in Item 5 of the **Schedule**.

15. Proposal Form

means the proposal form or application for insurance dated as specified in Item 11 of the **Schedule** and:

- any additional documentation attached to such proposal form or application; and
- any documentation or other information provided to **Assetinsure** as the agent for the **Insurer** as part of any submission made by or on behalf of the **Insured** in respect of this insurance.

16. Retroactive Date

means the Retroactive Date specified in Item 10 of the **Schedule**.

17. Single Wrongful Professional Act

means a **Wrongful Professional Act** or any related, continuous or repeated **Wrongful Professional Acts**, whether committed by the **Insured** individually or by more than one **Insured** and whether directed to or affecting one or more than one person or legal entity.

18. Schedule

means the schedule attaching to and forming part of this **Policy**.

19. Wrongful Professional Act

means any breach of professional duty by reason of:

- i. negligence or breach of an express or implied contractual duty to use reasonable care and skill;
- ii. breach of trust, misstatement or misrepresentation;
- iii. breach of fiduciary duty;
- iv. breach of confidence or misuse of any information, which is either confidential or subject to statutory restrictions on its use;
- v. libel, slander or defamation;

in a professional capacity in the conduct of the **Insured Profession**.

(End of Policy Wording – Endorsements may apply.)

SCHEDULE

1. **Policy Number:** 201106-0001 AI

2. **Insured:** Propval Pty Ltd trading as
John Logan & Associates, Gympie

3. **Address of Insured:** 28 Reef Street
Gympie Qld 4570

4. **Insured Profession:** Valuers

5. **Policy Period:** From: 17th April 2011 at 4.00pm LST
To: 17th April 2012 at 4.00pm LST

6. **Limit of Indemnity:** \$3,000,000

Sub Limits:
Automatic Extension 1: Official Investigations, Inquiries or Proceedings \$250,000
Automatic Extension 3: Loss of Documents \$250,000

7. **Optional Extensions:** Only included in the Policy where declared below.
Optional Extension 1: Dishonesty Sub-Limit: \$3,000,000
Optional Extension 2: Automatic Reinstatement

8. **Retention:** \$10,000


9. **Premium:** Premium payable: \$35,000.00
GST payable: \$3,500.00
Stamp Duty payable: \$1,925.00
Total Amount payable: \$40,425.00

SCHEDULE (Cont'd)

10. **Retroactive Date:** Unlimited
11. **Date of Proposal Form:** 24th January 2011 and
Supplementary Questionnaire dated 9th February 2011 and
Declaration dated 6th April 2011
12. **Joint Ventures:** None
13. **Endorsements:**
1. Valuers Endorsement 0709
 2. Residential Desktop Assessment Endorsement 0211
 3. ANZ Restricted Assessment Endorsement 0211
 4. Holding Out Liability Exclusion 0709
 5. Retention Endorsement
14. **Insurer:** International Insurance Company of Hannover Limited
(Australian Branch)*
ABN 58 129 395 544
Level 21, Australia Square
264 George Street
SYDNEY NSW 2000
- Authorised as a general insurer by the
Australian Prudential Regulation Authority.
- *Operating as a branch of International Insurance Company of Hannover Limited
Registered Address: 1 Arlington Square
Bracknell RG12 1WA
United Kingdom
- Authorised and regulated by the Financial Services Authority of the United Kingdom.
15. **Policy Wording:** Misc PI 0709

Signed for and on behalf of the
Insurer by their agent:

Assetinsure Pty Ltd
ABN 65 066 463 803
44 Pitt Street
SYDNEY NSW 2000

 Assetinsure Pty Ltd
ABN 65 066 463 803

Authorised Signatory

19/4/2011
Date

IT IS HEREBY DECLARED AND AGREED THAT THIS ENDORSEMENT ATTACHES TO AND FORMS PART OF THE FOLLOWING POLICY:

POLICY NO: 201106-0001 AI

ISSUED TO: Propval Pty Ltd

ENDORSEMENT 1

Valuers Endorsement (0709)

The Insurer will not be liable to indemnify the Insured for any Loss, Defence Costs, Inquiry Costs, settlement or any other payment directly or indirectly arising out of, based upon, attributable to or in consequence of:

- (i) (a) any failure to effect or maintain any form of insurance, or
(b) any advice, or failure to advise, on insurance:
- (ii) the provision of finance by or to
 - (a) any party comprising the Insured; or
 - (b) any party related to or associated with any party comprising the Insured:
- (iii) failure to account for any trust account or monies:
- (iv) any express guarantee or warranty provided by, or on behalf of, the Insured as to:
 - (a) the present or future value of any property, plant or equipment; or
 - (b) the present or future rental or investment return on any property, plant or equipment:
- (v) any valuation undertaken by, or on behalf of, the Insured by any person who, at the time the valuation was performed, was not a member of the Australian Property Institute or the Royal Institute of Chartered Surveyors (or successor organisations):
- (vi) any valuation undertaken by, or on behalf of, the Insured by any person who, at the time the valuation was performed, was not (where required by statute or other regulation) a licensed or registered valuer in the jurisdiction in which the property that was the subject of the valuation was located:
- (vii) any valuation exceeding \$1,000,000 that:
 - (a) was not reviewed by a second appropriately qualified valuer prior to such valuation being issued; and
 - (b) where such review is not clearly recorded on the Insured's file for such valuation:



- (viii) any valuation for which the **Insured** failed to:
- (a) personally inspect and identify the property, plant, machinery or equipment being valued, including the interior of buildings, and recording the relevant measurements; or
 - (b) record proper field and file notes relating to enquiries relative to the basis of the valuation; or
 - (c) append a written disclaimer to the valuation report limiting responsibility for reliance on the report to the addressee:

However, clause (a) above will not apply to any kerbside valuation, restricted assessment or restricted valuation that has been conducted in strict accordance with the Restricted Valuation Supporting Memorandum as set down by the Australian Property Institute.

- (ix) any valuation undertaken by, or on behalf of, the **Insured** for any solicitors' mortgage facility (other than a mortgage facility that is registered as a Managed Investment Scheme pursuant to the provisions of the Managed Investments Act 1998) or any solicitor arranged loan or mortgage:
- (x) any valuation undertaken by, or on behalf of, the **Insured** for any Managed Investment Scheme (as defined by the Managed Investments Act 1998) or any lender that is subject to the provisions of the Managed Investments Act 1998 unless the following "Prudent Lender Clause" (or a clause with materially the same effect) is included in any such valuation report:

"This valuation is prepared on the assumption that the lender as referred to in the valuation report (and no other) may rely on the valuation for mortgage finance purposes and the lender has complied with its own lending guidelines as well as prudent finance industry lending practices, and has considered all prudent aspects of credit risk for any potential borrower, including the borrower's ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that the lender is providing mortgage financing at a conservative and prudent loan to value ratio".

- (xi) any valuation undertaken by, or on behalf of, the **Insured** for the purpose of a mortgage other than a first mortgage unless the **Insured** can establish to the satisfaction of **Assetinsure** that no party comprising the **Insured** was aware at any time prior to the establishment of such mortgage that the valuation would be utilised for such purpose:
- (xii) physical injury to or destruction of tangible property, including loss of use thereof, held by the **Insured** in their care, custody, or control, other than as provided by the Loss of Documents extension.

ALL TERMS, CONDITIONS AND EXCLUSIONS OF THE POLICY REMAIN UNCHANGED EXCEPT WHERE SPECIFICALLY ALTERED BY THIS ENDORSEMENT.



IT IS HEREBY DECLARED AND AGREED THAT THIS ENDORSEMENT ATTACHES TO AND FORMS PART OF THE FOLLOWING POLICY:

POLICY NO: 201106-0001 AI

ISSUED TO: Propval Pty Ltd

ENDORSEMENT 2

Residential Desktop Assessment Endorsement (0211)

- i) Clause (viii)(a) of the Valuers Endorsement attaching to and forming part of the Policy shall not apply in respect of any **Residential Desktop Assessment** conducted by or on behalf of the **Insured** in strict accordance with the Residential Desktop Assessment Advisory Note issued by the Australian Property Institute and current at the date of such assessment.
- ii) The **Insurer** will not be liable to indemnify the **Insured** for any **Loss, Defence Costs, Inquiry Costs**, settlement or any other payment directly or indirectly arising out of, based upon, attributable to or in consequence of any **Residential Desktop Assessment** issued without explicit reference to the applicable Residential Desktop Assessment Advisory Note and/ or the limitations of liability/ disclaimers/ qualifications/ indemnities therein.

For purposes of this Endorsement, **Residential Desktop Assessment** shall mean a desktop assessment as defined in the applicable Residential Desktop Assessment Advisory Note issued by the Australian Property Institute but shall not include any assessment in respect of a property deemed as unacceptable for desktop assessment in the applicable Residential Desktop Assessment Advisory Note.

ALL TERMS, CONDITIONS AND EXCLUSIONS OF THE POLICY REMAIN UNCHANGED EXCEPT WHERE SPECIFICALLY ALTERED BY THIS ENDORSEMENT.



IT IS HEREBY DECLARED AND AGREED THAT THIS ENDORSEMENT ATTACHES TO AND FORMS PART OF THE FOLLOWING POLICY:

POLICY NO: 201106-0001 AI

ISSUED TO: Propval Pty Ltd

ENDORSEMENT 3

ANZ Restricted Assessment Endorsement (0211)

Clause (viii)(a) of the Valuers Endorsement attaching to and forming part of the Policy shall not apply in respect of any Restricted Assessment conducted by or on behalf of the Insured for Australia & New Zealand Banking Group Ltd (or any of its subsidiaries) via the Sandstone Valuation Management Service system (or any predecessor or successor system) provided that:

- a) the maximum assessed value attributed to the property that is the subject of such Restricted Assessment does not exceed \$1,000,000; and
- b) the property that is the subject of such Restricted Assessment is:
 - an existing single residential dwelling; or
 - an existing single strata title or community plan unit; or
 - a vacant single residential land site; or
 - a single hobby farm.

ALL TERMS, CONDITIONS AND EXCLUSIONS OF THE POLICY REMAIN UNCHANGED EXCEPT WHERE SPECIFICALLY ALTERED BY THIS ENDORSEMENT.



IT IS HEREBY DECLARED AND AGREED THAT THIS ENDORSEMENT ATTACHES TO AND FORMS PART OF THE FOLLOWING POLICY:

POLICY NO: 201106-0001 AI

ISSUED TO: Propval Pty Ltd

ENDORSEMENT 4

Holding Out Liability Exclusion (0709)

The Insurer will not be liable to indemnify the Insured for any Loss, Defence Costs, Inquiry Costs, settlement or any other payment directly or indirectly arising only by reason of the Insured's alleged or actual association, affiliation, alliance or similar relationship with any other firm or partnership, or group of firms or partnerships.

However, this exclusion shall not apply in respect of any indemnity which may be available to the Insured under Optional Extension 3 (Joint Venture Liability) where such extension is included in this Policy.

ALL TERMS, CONDITIONS AND EXCLUSIONS OF THE POLICY REMAIN UNCHANGED EXCEPT WHERE SPECIFICALLY ALTERED BY THIS ENDORSEMENT.



IT IS HEREBY DECLARED AND AGREED THAT THIS ENDORSEMENT ATTACHES TO AND FORMS PART OF THE FOLLOWING POLICY:

POLICY NO: 201106-0001 AI

ISSUED TO: Propval Pty Ltd

ENDORSEMENT 5

Retention Endorsement

- (i) Notwithstanding the retention amount specified in Item 8 of the **Schedule**, in respect of any **Claim** or **Inquiry** in connection with any valuation directly or indirectly relating to a mortgage or other financial security, such retention amount shall be deemed to be \$20,000.
- (ii) In the event of any uncertainty in respect of which retention amount is applicable, the onus of proving that the lower retention amount applies shall be upon the **Insured**.

ALL TERMS, CONDITIONS AND EXCLUSIONS OF THE POLICY REMAIN UNCHANGED EXCEPT WHERE SPECIFICALLY ALTERED BY THIS ENDORSEMENT.

