



Unimutual Limited

Product Disclosure Statement & Protection Wordings

2023 – 2024

PDS dated 1 November 2023 issued by

Unimutual Limited

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AFS Licence No: 241142



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Product Disclosure Statement

PART 1 – Introducing Unimutual

This is Part 1 of the PDS dated 1 November 2023 issued by

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INTRODUCING UNIMUTUAL

Welcome to Unimutual

This Product Disclosure Statement (PDS) is an important legal document that contains details of the financial product and services (Protections) available to Members of Unimutual Limited (Unimutual, the Mutual).

Unimutual is the product issuer of the financial products referred to in the PDS. Unimutual's financial product (being the membership of the Mutual and the discretionary Protections it offers) falls within the Australian Securities and Investments Commission (ASIC) classification of 'miscellaneous mutual risk products'.

Unimutual has not authorised any person other than its directors and personnel to give any information or to make any representation in connection with offers of membership or access to membership.

Membership of Unimutual is only available to Universities, other educational or research institutions or entities associated with education or research. A minimum of twenty employees is a pre-requisite for eligibility for membership.

Claims on Unimutual may only be made by Members of Unimutual.

References to 'Member' or 'your' in this PDS mean the relevant University or entity considering or holding membership of Unimutual or seeking to renew membership.

What is a Product Disclosure Statement?

This PDS is designed to help your organisation understand Unimutual and its financial product and services so that it can make an informed choice about whether or not to apply for membership and so become eligible to apply for the Protections available to Members.

Before a decision is made please read this PDS and its attachments carefully. This document, the Constitution, Rules and the Protection Wordings are all part of Unimutual's PDS. Each of these documents when combined together forms the PDS so it is important that you read each part.

- The Constitution explains the relationship between the Mutual as a company and the Members as the owners.
- The Rules set out the conditions of membership and the principles that apply to the Protections offered and the process for making a claim on the Mutual.
- The Protection Wordings provide details relevant to specific Protections offered by the Mutual.

If your organisation decides to apply for membership of Unimutual, please contact us for a quotation on the Protections required. There are certain Protections that are mandatory for all Members while there are others that are optional to reflect the different needs of Members.

If your organisation's application is accepted, the cost of Protection and level of discretionary Protection granted will be set out in the Member's Schedule of Protection. The Schedule of Protection will include any government charges that may apply. The types of costs, fees and charges that might have to be paid are all explained in this PDS. The significant benefits and significant risks that are relevant are also explained in this PDS.

Once all the documents in the PDS have been read they should be kept in a safe place for future reference.



Updated information

Information in this PDS may be amended from time to time. If the amendment is not materially adverse to Members, the PDS may be updated and information provided on www.unimutual.com for Members in the Members Portal.

A supplementary PDS may be issued from time to time to supplement any relevant information not contained in this PDS, in accordance with the Mutual's obligations under the *Corporations Act 2001* (Cth).



Part A - Important information about Unimutual

1 What is Unimutual?

Unimutual was formed to meet the needs of its Members and to assist them to spread the costs relating to the diverse risks associated with the operation of Universities and other educational or research facilities. The Members of Unimutual use their combined resources to meet the agreed financial risk obligations of each Member of the Mutual which may arise as a result of their educational or research activities.

Unimutual is a mutual entity as defined in the Corporations Act, 2001 (Cth). This means it is a company where each Member has an entitlement to one vote at any general meeting of Members, regardless of the financial commitment made to the Mutual. Unimutual offers its Members access to benefits that manage the financial consequences of risk at the discretion of the Mutual.

Unimutual is owned by the Members. It has the discretion to set the rules for eligibility for membership and the discretion to decide whether or not to accept a Member's application for membership as well as the discretion to decide what discretionary Protections will be offered to Members each year.

Members of Unimutual have the right to have a claim for Protection considered by the Board and the Board has the absolute discretion to accept or refuse a Member's claim for Protection.

2 Management of Unimutual

Unimutual is managed by its own employees with the assistance of expert consultants if, and when such assistance, is required.

3 Who regulates Unimutual?

Unimutual is regulated by ASIC as the issuer of miscellaneous mutual risk products and holds Australian Financial Services Licence number 241142. This AFS licence also permits Unimutual to provide advice on and arrange general insurance and to hold the custody of any insurance policies in place for the Mutual itself.

Unimutual's AFS licence conditions and obligations at law include having sufficient assets to meet its liabilities, adequate cash and surplus liquid funds to meet its expenses and its obligations, compliance with financial services laws, adequate risk management, sufficient human and technological resources, appropriate conflicts management processes, professional indemnity insurance and external dispute resolution systems.

4 The Board of Unimutual

The Constitution of Unimutual requires that the majority (minimum 4) of Directors be elected from the Members.

5 Unimutual's Protection is not insurance

Under the conditions forming part of its Australian Financial Service Licence, Unimutual is required to inform a person applying for membership and Protection at the time it makes an offer or issues a miscellaneous risk product that:

- (i) Unimutual is not authorised under the Insurance Act 1973 to conduct insurance business in Australia;
- (ii) Unimutual and its products:



- (a) are not subject to the provisions of the Insurance Act 1973 or the Insurance Contracts Act 1984, which establish a system of financial and product regulation for general insurers; and
 - (b) Unimutual is not regulated by the Australian Prudential Regulation Authority (**APRA**);
- (iii) Unimutual will:
- (a) estimate its future liabilities or its future payments to holders of a Unimutual product by:
 - (i) applying conservative case estimates for claims upon which the Board has exercised its discretion to pay; and
 - (ii) by applying annual projections for outstanding claims liabilities and Contribution liabilities (if any) assessed by its actuary (AM Actuaries) on the basis of achieving a 75% level of certainty; and
 - (b) use its best endeavours to ensure that it has adequate financial resources to discharge future liabilities, or make future payments, to holders of the product by:
 - (i) calculating Member Contributions in each period of membership of twelve (12) months ending on the date and time shown in the Certificate of Entry (Protection Year) with the intention of recovering the budgeted cost projections (including claim costs) plus a budgeted surplus;
 - (ii) projecting the Protection Year claims costs with the assistance of its actuary (AM Actuaries);
 - (iii) purchasing appropriate cover for its contingent liabilities after striking the best balance between risk retained and risk transferred;
 - (iv) transferring from time to time (at the discretion of the Board) an agreed percentage of any surpluses to a general reserve;
 - (v) maintaining a conservative investment strategy; and
 - (vi) preparing cash flow budgets on a monthly basis and monitoring actual against budget.

6 Constitution of Unimutual

The Constitution of Unimutual forms part of this PDS (Part 2). It should be read carefully. The Constitution sets out the objectives of the Mutual, its powers as a company limited by guarantee (in the event of winding up) together with the Rules governing eligibility of Members, election of Directors and conduct of general and extraordinary meetings of Members.

Under the Constitution, the Board is empowered to publish Rules governing the day-to-day operation of Unimutual.

7 Rules of Unimutual

The Rules of Unimutual form part of this PDS (Part 3). You should read them carefully as these set out the rules that govern the relationship of Members with the Mutual and the rights and obligations of each.

8 Membership

If an application to join Unimutual is successful, a Certificate of Entry and a Schedule of Protection will be issued for the period when membership is valid. Please check the details carefully and notify us immediately if there are any changes needed.

Membership for each Protection Year remains effective until that Protection Year is declared closed in accordance with the Rules.



When a new Protection Year opens you may be invited to renew your Protections in which case you will be automatically offered membership for the new Protection Year. The terms and conditions of your discretionary Protection may vary from Protection Year to Protection Year and at all times the benefits, the benefit levels and the level of Contribution required by each Member remains subject to the absolute discretion of Unimutual.

9 Information provided by Members and potential Members

Each Member or potential Member is responsible for providing correct and up to date information when Unimutual requests it.

Organisations seeking to join Unimutual will be asked a series of questions relevant to their eligibility for membership. The answers provided will be used to assess their application.

When a Member applies for a quotation for Protection, it will be asked to complete a data collection form to provide information that is relevant to the Protection being sought and to the rating of the Contribution that will apply. The information provided will also be used by the Board to consider whether or not to accept the application for membership into the Mutual, and the granting of Protection(s).

If the Member or potential Member provides information to Unimutual knowing that it is incorrect, or should have been known it was incorrect, the Board may refuse to grant membership, refuse to grant specific Protections applied for and may refuse to agree to a claim for Protection.

The calculation of the Contributions paid by Members is reliant on the information from the Members collectively being correct and so the failure of one Member to provide accurate information has the potential to impact on all Members.

PART B - Significant benefits of membership

10 Membership Protection

Unimutual refers to the benefits it offers as 'Protections' to highlight the fact that it is offering an alternative to insurance. Membership of Unimutual entitles the Member to have a claim for Protection considered by the Board.

The different Protections available to Members of Unimutual and the terms, conditions, and exclusions are all set out in this PDS (Parts 4, 5, 6, 7, 8, 9 and 10). The different Protections selected, together with individual Retentions and limits, are factors relevant to calculating the cost of Contribution for each Protection.

The Board of Directors of Unimutual has discretion to accept an application for Protection and to set the cost of Contribution payable for each Protection. The limits and Retentions used to calculate each Member's Contribution are indicative and will be decided on a case by case basis. Under Rule 6(8) Unimutual may, at the request of a Member and, subject to its absolute discretion, provide Protection for any risks excluded by the Rules or the Certificate of Entry.

The Schedule of Protections will be sent after the Protections have been accepted. Once the Board accepts an application for Protection, Protection is valid for twelve months and may be offered for renewal on the anniversary of the date on which the Protection started. The renewal of any Protection is at the discretion of the Board.

Unless otherwise agreed, the period of Protection will be for twelve months beginning at 00:00 hours AEST on 1 November and ending at 24:00 hours AEST on 31 October.



11 Summary of Protections Offered to Members

Unimutual Members are able to apply for seven classes of discretionary Protection. The classes represent some of the areas of risk that, at various times, have been difficult to place in the traditional insurance market.

The classes of Protection are as follows:

1. Property Protection (Part 4)
2. Combined Liability Protections (including the optional classes of Malpractice and General Clinical Trials) (Part 5)
3. Cyber Protection (Part 6)
4. Environmental Liability Protection (Part 7)
5. Active Assailant Protection (Part 8)
6. Terrorism Protection (Part 9)
7. Fine Arts, Rare Books and Collectables Protection (Part 10)

Members should carefully consider the information, and in particular the definitions, in the relevant data collection forms and in this PDS in relation to the discretionary Protections.

Members should also check the nominated Affiliates for each Protection as it is the Member's responsibility to ensure that all relevant parties requiring Protection are noted on the Schedule to each Protection.

1. Property Protection

Property Protection provides Members with the right to claim Protection on behalf of the Member, an Affiliate or a Protected Person for material loss of assets being real property, including buildings, plant, machinery, stock and merchandise and personal property.

Property Protection also extends to claims for Protection for loss of revenue, increased cost of working, loss of rental income and additional expenses resulting from interruption or interference to the business during the period of Protection.

Protection is subject to certain terms, exclusions, conditions and limitations.

A terrorism exclusion exists in the Property Protection. However, as is the case with all Protection offered by Unimutual, this exclusion is subject to the overall discretion of Unimutual. When considering any claim for loss related to terrorism or the threat of terrorism Unimutual may consider various matters including the terms of any risk redistribution that Unimutual may have in place to manage its own exposure to terrorism related risks.

2. Combined Liability Protection

There are four liability Protections but Members will only be entitled to claim for the liability Protections specified on their Schedule of Protection:

- **General and Products Liability Protection**

General and Products Liability Protection provides Members with the right to claim Protection on behalf of the Member, an Affiliate or a Protected Person for liabilities arising from personal injury (including death), other injury and property damage caused by a protected event during the Protection Period.

The Protection is within limits as set out in the Schedule of Protection and in connection with the Member's business or from products manufactured, sold or supplied by the Member.



Protection is subject to certain terms, exclusions, conditions and limitations. These may affect how and when Protection is granted and the amount of any payment.

A terrorism exclusion exists in the General and Products Liability Protection. However, as is the case with all Protection offered by Unimutual, this exclusion is subject to the overall discretion of Unimutual. When considering any claim for loss related to terrorism or the threat of terrorism, Unimutual may consider various matters including the terms of any risk redistribution that Unimutual may have in place to manage its own exposure to terrorism related risks.

- **Professional Liability Protection**

Professional Liability Protection provides Members with the right to claim Protection on behalf of the Member, an Affiliate or a Protected Person for their legal liability to pay damages as a result of any claim or claims first made against them during the Protection Period and arising out of any civil liability in relation to the Member's Professional Services.

Protection is subject to certain terms, exclusions, conditions and limitations. These may affect how and when Protection is granted and the amount of any payment.

- **Malpractice and Clinical Trials Protections**

Members may apply for malpractice or clinical trials Protection subject to statutory requirements in force at the relevant time.

Members must complete specific data collection forms for each of these Protections and are advised to consider the information contained in the relevant data collection forms.

- **Malpractice Protection**

Malpractice Protection provides Members with the right to claim Protection on behalf of the Member, an Affiliate or a Protected Person for their legal liability to pay damages as a result of any claim or claims first made against them during the Protection Period or within 30 days thereafter for bodily injury (including death) arising out of any act, error or omission in relation to the provision of medical and/or veterinary services.

Protection is subject to certain terms, exclusions, conditions and limitations. These may affect how and when Protection is granted and the amount of any payment.

- **Clinical Trials Protection**

Clinical Trials Protection provides Members with the right to claim Protection for amounts which the Member is liable to pay as damages or compensation and claimant's costs and expenses for any claim first made against you during the Protection Period, and notified to us in the Protection Period or within 30 days after its expiry, for bodily injury to any research subject arising from an occurrence in respect of any clinical trial undertaken by the Member or any Affiliate anywhere in the World excluding the United States of America and/or Canada in connection with your business after 21 May 1997.

Protection is subject to certain terms, exclusions, conditions and limitations. These may affect how and when Protection is granted and the amount of any payment.

3. Cyber Protection

Cyber Protection provides Members with the right to claim Protection for claims arising out of media wrongful act and privacy and security wrongful act to a third party. The Protection provides privacy notification and crisis management costs, loss of profit, operational expenses, extortion expenses or data recovery costs resulting from a network compromise, data breach or an extortion demand.



Protection is subject to certain terms, exclusions, conditions and limitations. These may affect how and when Protection is granted and the amount of any payment.

4. Environmental Liability Protection

A base level of Environmental Liability Protection is automatically provided to all Members who take up property and liability classes with Unimutual, providing Protection for \$2,500,000 any one claim and in the aggregate with a \$250,000 basic Retention.

Members may, at their discretion, request a higher level of Protection or lower levels of Retentions. Each written application by a Member to vary the standard Member benefit will be considered and a cost for the varied Protection provided. The Property and Liability Protections respond to pollution caused by a sudden release BUT the Environmental Liability Protection responds to losses arising from gradual release over an extended period, including resultant claims, remediation and legal defence costs.

Members also have the option of applying for the base cover to extended to include: Pre-Existing Pollution Conditions; One Year Retroactive Date, Business Interruption; Underground Storage Tanks; Crisis Management; Contractors Pollution Liability Extension; Construction Work; Contractors Pollution Liability Extension – Asbestos & lead abatement program Transportation Coverage; Asbestos coverage caused by an Insured Peril; Asbestos coverage for BI & PD only.

Protection is subject to certain terms, exclusions, conditions and limitations. These may affect how and when Protection is granted and the amount of any payment.

5. Active Assailant Protection

This Protection provides the Member with the right to claim Protection for claims arising out of losses solely and directly caused by an Active Assailant Event occurring during the Protection Period within the Geographical Limits as stated within the Schedule of Protection including;

- Public Relations consultancy costs by a consultant approved by Unimutual
- Relocation expenses
- Counselling and/or psychiatric expenses
- Medical expenses other than counselling or psychiatric expenses

Protection is subject to certain terms, exclusions, conditions and limitations. These may affect how and when Protection is granted and the amount of any payment.

12 Surplus retained for benefit of Members

Unimutual is a not for profit entity and any surplus is retained for the benefit of Members in meeting the objectives of Unimutual including to provide services to the Members such as risk management education and professional development.

How any surplus for any one Protection Year may be applied is at the absolute discretion of the Board.

13 Risk management assistance

Unimutual actively promotes loss prevention and mitigation, by both assisting individual Members on risk and collaboratively sharing insights and lessons across the entire membership base.

Unimutual's in-house risk managers consult widely with Members, co-ordinate and lead a number of special interest groups and produce practical advice through regular publications.



14 Exemption from Emergency Service Levies and Stamp Duty

Unlike insurance policies there are no emergency service levies or stamp duties payable on the Protections issued by Unimutual.

PART C - Significant risks of membership

15 Memberships may be cancelled in certain situations

Membership is issued to Members on an annual basis subject to payment of the annual Contribution by the Member. Each annual Contribution is levied on each Member for a single Protection Year for the benefits to be provided for the incoming Protection Year.

Membership can be terminated by:

- A Member ceasing to be a Member for non-payment of its Contributions;
- A Member losing its eligibility due to a change of status or ceasing to exist;
- A Member becoming bankrupt or insolvent;
- Rights to membership being terminated in accordance with the Rules;
- Unimutual not offering membership to the Member for a new Protection Year; or
- A Member giving notice in accordance with the Rules that it will not be renewing.

16 Capital Risk

Unimutual voluntarily benchmarks to APRA's solvency requirements for the purposes of managing its capital risk, but it is not an APRA authorised insurance company and this benchmarking is only used for guidance. Unimutual's ASIC regulatory requirement is it needs to have sufficient assets to always meet its AFS licence solvency requirements and its outstanding claims.

The financial resources available to purchase insurance for Unimutual's self- insured Retention and the number and size of claims for which discretionary payment is requested are all of significance to the financial resources of Unimutual.

If there is a major natural event, terrorist activity, pandemic or a number of catastrophic weather events in any single Protection Year causing a spike in the total cost of claims there is no guarantee that Unimutual will have sufficient financial resources to pay all potential discretionary claims.

This is why the establishment of significant reserves is an important part of Unimutual managing its own risks and the importance of the information being provided by Members on initial admission and for each renewal is critical to the financial stability of Unimutual.

Unimutual has established its own insurance company on the Isle of Man to assist it with the management of this insurance risk.

Unimutual has the right to make a supplementary call on all Members of an Open Protection Year to supplement its capital if it is determined by the Board to be necessary to reduce the risk of insufficient capital being used to pay claims. Any such call is capped at 50% of the previous Protection Year's contribution paid by a Member.

17 Additional payments by Members

Aside from paying the annual Contribution there may be other payments that a Member may be required to make.



These payments may include:

- the amount of self-retention that applies to a Member's Protection in the event of a Claim;
- any part of a Claim that Unimutual determines will not be paid by Unimutual;
- interest on any overdue payment for Contribution or for a claim; and
- if Unimutual is wound up all current Members or Members who have ceased membership within the preceding 12 months may be required to pay A\$1.00 because Unimutual is a company limited by guarantee so there may be a limited liability to make a payment of \$1.00 on winding-up.

18 No cooling off period

Membership of Unimutual is restricted to wholesale clients and so there is no right to a cooling off period available to Members or potential Members.

Part D - Contributions and Claims

19 How Contributions are assessed

Members are able to select the Protections required according to the Member's needs and risks. If the application for these Protections is successful, the Member will be required to pay an annual fee.

The total amount of the fee payable plus any taxes, duties and charges is referred to as the Member's Contribution in this PDS. Contribution payments become due and payable at the time the Protection commences.

Details of the Member's Contribution for each Protection will be shown on the Member's Schedule of Protection. The Schedule of Protection will also show any government taxes such as GST, duties and charges payable by the Member as well as the upper limit the Board is likely to consider when exercising its discretion to pay a claim.

Unimutual will consider a range of factors when determining a Member's Contribution for a requested Protection. These factors may include:

- (a) the detailed information provided by in the Member's data collection form;
- (b) the number, location and value of properties to be covered by property Protection. The higher the value of the properties protected, the higher the Contribution;
- (c) the nature and extent of the activities of affiliated entities;
- (d) the Member's previous claims history; the Contribution will be higher if there is a poor claims history;
- (e) the size and nature of your organisation. The larger the organisation, including the turnover, the higher the Contribution;
- (f) the type of security devices, safety systems and fire protection you have in place. The Contribution will be higher if the Member is assessed as having poor security;
- (g) the Member's general risk profile. The more risks involved in the business, the higher the Contribution;
- (h) the maximum amount payable under that Protection;
- (i) the level of Retention selected by the Member for the selected Protections. If higher Retentions are selected Contributions may be lower; and



- (j) any other factor regarded as relevant by Unimutual at the time of assessing the Member's Contribution. Depending on the nature of these factors, the Member's contribution may reduce or increase.

As Unimutual is a Member owned entity, it is an important part of membership that Members work towards the management of their risks so that the risk of claims is reduced and the cost of Contributions kept to a minimum.

Unimutual is an entity run on not-for-profit principles so there is no profit factor built into the calculation of Member Contributions. Any surplus will be applied for the benefit of the Members. This may be done in the form of risk training and risk programs and similar initiatives but may also be in the form of a partial return of Contributions paid if a Protection Year is closed and the Contributions received for that year have not been fully paid out.

Unimutual needs to have sufficient assets to always meet its AFS licence solvency requirements and its outstanding claims. Any payment made to Members in the form of a return of Contribution is entirely at the absolute discretion of the Board and will not be considered until the Protection Year is closed.

20 Unimutual's use of the Contributions

Unimutual deposits the Contributions received from Members into a bank account and withdrawals may be made for the following purposes:

- payment of Unimutual's own insurance premiums;
- settlement of claims with external third parties;
- settlement of claims within the self-insured Retention level where the discretion to pay a claim has been made by the Board in favour of the Member;
- payment of administrative and operating costs;
- payment of service providers; and
- payment for risk management initiatives.

A Protection Year is only closed once Unimutual receives advice from all relevant parties that all claims for that year have been received and resolved.

Any surplus remaining once a Protection Year is closed is allocated at the absolute discretion of the Board.

21 How to claim

Claim notifications may be lodged in writing, electronically, or by telephone. We can be contacted at the address and telephone numbers set out in this PDS. We can provide expert advice and assistance in the event of a loss.

A Member may be required to provide proof of ownership or value when a claim is considered. The Rules require that Member's provide information requested by Unimutual or its agents when a claim is made including, if required, obtaining privacy consents to allow for the investigation of claims.

If such information or consents are not provided when requested, this could delay the Board's consideration of the claim or the Board may refuse the claim. In some cases, you may be asked to obtain a quotation for repair or replacement from a repairer or supplier nominated by Unimutual.

At its discretion, Unimutual may elect to take over the management or defence of any claim or recovery action.

If the Board exercises its discretion not to pay a Member's claim, or to pay only part of the claim, the Member will be advised promptly.



22 When you make a claim

Members of Unimutual, have a right to have a claim for Protection considered by the Board of Unimutual. The payment of all claims under the selected Protections is at the discretion of the Board.

The claims team manages claims on behalf of Unimutual and makes recommendations to the Board's Claims Committee on whether or not to accept a claim and the amount to be paid.

The Board's discretion to refuse or reduce a claim is absolute. The Board has the power to pay claims that do not fall within the Protections.

23 Claims related Disagreements

If a Member is unhappy with a claim decision, a request may be made to refer the matter to the internal complaints officers in accordance with Rule 29 or the Member may request that the matter be referred to the Board in accordance with Rule 29(2) for adjudication. The Rules of Unimutual form part of this PDS (Part 3).

The Board's decision to exercise its discretion to accept or reject a claim and its decision in terms of the amount to be paid for a claim is absolute.

24 Schedule of Protection

Once the Board admits an organisation to membership, the Protection will be granted and Unimutual will issue a Schedule of Protection recording the Protections, the limits that apply for each of the Protections, the Member's Self Retention that applies to each Protection and other important matters about the Protections such as the dates on which each Protection begins and ends. Each of these limits may be varied at Unimutual's discretion.

The Schedule of Protection will record the Contributions payable to Unimutual. When the Schedule of Protection is received, please check the document carefully and tell us immediately if any changes are required.

25 Member Retention

When a claim for Protection is considered by the Board of Unimutual, the Board may require the payment of an initial portion of the claim. This amount is the Member Retention. The Schedule of Protection will show the Member Retention that applies to each of the Protections held by a Member.

26 Changes to membership details

If membership details, such as mailing address, telephone number or other contact details, change during the membership year, the Member has an obligation to advise the Mutual.

27 Changes to commercial circumstances

When a Member or potential Member applies for Protection, it is asked a series of questions in the data collection form which are relevant to whether or not the Board of Unimutual accepts the application for a Protection.

Factors that may be taken into account when calculating the cost for each Protection are set out in this PDS.



A Member is required to tell us when changes occur that may require changes to the Protections or increase the risks that are relevant to the Member's Protections.

In particular, each Member needs to advise us if any of the answers provided in the data collection form are no longer correct.

Any changes required to a Member's Protections to take into account changed circumstances or risks during the twelve months when that Protection is active (the Protection Year) will be at the discretion of the Board. The Board, at its discretion, may issue a Member with a new Schedule of Protection or it may endorse the existing Schedule of Protection with the new details. The Board may determine that extra Contributions are required from the Member before the changes to the Protections start.

Once a Member of Unimutual, an application may be made to the Board at any time to add additional protections.

To apply for additional Protections, simply contact Unimutual with the details for consideration.

28 Not meeting responsibilities

If a Member does not tell Unimutual everything that is relevant, or if it misleads Unimutual, fails to meet the Member's responsibilities under the Protections, Unimutual can refuse to pay a claim or reduce the amount paid in accordance with the Rules.

If there is any doubt about the relevance of any information please tell Unimutual immediately in order to avoid any prejudice to the Member's Protection.

29 Cancellation of membership and Protections

A Member may cancel its membership and Protections by giving 3 (three) month's notice prior to the expiry of the Protection Year stated in its current Certificate of Entry. A Member cannot cancel its membership or the Protection(s) during the Protection Year without the consent of the Mutual.

Members remain liable for Contributions and supplementary Contributions for any open Protection Year in accordance with Rule 20. This obligation continues even after an organisation ceases to be a Member.

A Member's right to have a claim considered will cease in accordance with Rule 18.

You should read and consider carefully Rules 18, 19, and 20. The Rules of Unimutual form part of this PDS (Part 3).

The Board may, at its discretion, advise a Member that its membership of Unimutual will cease at the end of the Protection Year. It must give notice of its intentions in writing before the end of the Protection Year.

30 Renewal of Protections and offers of membership

If renewal of Protection is offered, it may be given on the same terms and conditions as set out in this PDS unless the Board offers to renew a Member's protections on different terms and conditions set out in a new PDS that will be issued at the time of renewal. If a Member is offered renewal of Protections, it will be automatically offered membership for the new Protection Year.

Prior to the last day of a of the Protection Period, a Member can apply to renew the Protections for the next Protection Year. Whether or not Protections will be offered for the next Protection Year is at the



discretion of the Board. If renewal is granted, the Protections will be given on the terms and conditions set out in this PDS and a new Schedule of Protection issued for that Protection Year.

31 How to join Unimutual

Membership enquiries can be directed to Unimutual directly or via a broker on the contact details at the front of this PDS. On receipt of a membership enquiry from you or your broker, you will be asked to complete a data collection form. Once all relevant information is received and evaluated, Unimutual may provide a quotation for Protection as set out in this PDS. If you elect to accept the quotation, you may then be given an offer of membership and Protection.

You will be provided with:

- Member declaration form (for acceptance of the offer of membership and Protection)
- Certificate of Entry
- Tax Invoice for the Contribution due
- Schedule of Protection

Unimutual does not pay brokerage, commissions or fees and such arrangements are entirely a matter between the broker and the Member.

32 Paying for your membership and Protections

Your Tax Invoice will tell you how much you have to pay for your Contributions and the due date.

If you pay after the due date, the Board may, at its discretion, direct that interest be charged on the amount outstanding in accordance with Rules 10(4) and 10(5). Alternatively, the Board may reject your payment and elect not to grant membership or Protection for that Protection Year.

33 Government charges

Your Contributions to Unimutual attract GST.

34 Estimating future liabilities or future payments to Members

Adequate financial resources to meet future payments.

When Unimutual applied for its AFS licence, it submitted to ASIC a full set of financial projections based on poor and best case scenarios for membership, claims, operational costs and investments. These financial projections were prepared by qualified accountants in accordance with ASIC's financial requirements for AFS licensees.

Unimutual will calculate Contributions of Members on the basis that it will have adequate financial resources to discharge future liabilities and make future payments to Members with Protection, based on a mathematical model and independent actuarial advice.

Unimutual uses a mathematical model to calculate:

- (a) income to be received by Unimutual from:
- Contributions; Interest on investments; and



- Recoveries from Unimutual Insurance Company Limited (**UICL**) and third parties.
- (b) the outgoings to be paid by Unimutual for:
- fixed management costs;
 - the number of claims lodged each year;
 - the number of claims lodged for specific risks;
 - the cost of its own insurance;
 - the delay in lodging claims;
 - the cost of an average claim; and
 - payment of claims within Unimutual's self-retention limit and withholding tax on premiums payable to UICL's reinsurers.

The mathematical model is based on Unimutual being a fully funded mutual.

Each Protection Year, Unimutual will determine its future claims liabilities to Members. This means that Contributions will be calculated on the assumption that, in any one financial year, Unimutual will not receive or pay all the claims that Members may have the right to claim for in that financial year.

Unimutual will manage these future liabilities and payments through its own risk management program and through its claim reserving policy.

Unimutual has entered into risk transfer arrangements in the form of an Agreement for Discretionary Protection with its wholly-owned subsidiary Unimutual (Isle of Man) Limited (UIOM) to manage the risks associated with any payments it may make to Members that are in excess of Unimutual's self-retention level. UIOM is a foreign company incorporated in the Isle of Man.

UIOM has an Insurance Policy in place with UICL, which, in turn, transfers risks to the international and domestic commercial insurance and reinsurance markets.

Unimutual is not entitled to be reimbursed for the total amount it pays to its Members. It must bear the difference itself. The amount that it must bear when it makes a claim on UIOM may vary from year to year.

Applying deficits and surpluses

The Rules include provisions relevant to the day-to-day running of Unimutual, including provisions on how Members join Unimutual, how Contributions are to be applied by the Mutual and how, and in respect of what risks, the Members may apply for Protection.

The Rules also set out how the Board of Unimutual deals with the financial aspects of the Mutual, including potential surpluses and potential deficits.

In the event of a surplus in any one year, the Board may apply that surplus by either returning Contributions to Members in proportion to their respective Contributions for that year or by putting the surplus into the Mutual's reserves, or both. The Board's discretion is subject to the requirements imposed on Directors to ensure that the company remains solvent and is able to meet the financial requirements imposed on it as an AFS licensee.

In the event of a deficit, the Mutual may draw on its reserves or may levy a Supplementary Contribution from Members in proportion to their respective Contributions. Supplementary contributions are limited to 50% of the Contribution paid by the Member for the relevant Protection Year.



35 Will supplementary Contributions ever be required?

The ability to call for Supplementary Contributions exists to provide comfort to Members that there will be the capacity to pay claims approved by the Board.

As stated above in clause 34, in the event of a deficit, the Mutual may draw on its reserves or may levy a Supplementary Contribution from Members in accordance with Rules 9 and 10.

This means that there is a risk that additional contributions will be required. However, this risk is managed by the application of the models described in clause 34. Unimutual has never made a call for a Supplementary Contribution.

36 Privacy

Unimutual's Privacy Policy is in accordance with the Commonwealth Privacy Act 1988, as amended, and is based on the thirteen Australian Privacy Principles outlined in the Privacy Amendment (Enhancing Private Protection) Act 2012 (Cth). Our Privacy Policy also complies with State legislation in relation to the collection and use of health information, where such legislation is applicable in addition to the Commonwealth Privacy Act.

Unimutual acknowledges that Members may be required to comply with the privacy laws in place in the State and Territory where they are located.

It is the responsibility of the Member making a claim on Unimutual to ensure that if personal information is required for the purposes of determining a claim, that the Member is required by the Rules to obtain the individual's authorisation to provide their information and that the individual is informed of Unimutual's identity, how it will use and disclose the information and that person's rights to access that information. The Member must also obtain the consent for the disclosure to be made to Unimutual or Unimutual's representatives.

The information collected will be provided to organisations that will assist in deciding whether to protect you, or to assess a claim. We will ensure that these organisations have appropriate privacy procedures.

These organisations include:

- (a) employees;
- (b) lawyers;
- (c) assessors;
- (d) repairers;
- (e) advisers including investigators ;
- (f) loss adjusters;
- (g) brokers;
- (h) medical practitioners;
- (i) insurers;
- (j) UIOM, UICL, and their reinsurers or insurers which are located outside of Australia.

Unimutual will take reasonable steps to make sure that the personal information it collects, uses or discloses is accurate, complete and up to date.

Any complaints in relation to privacy related matters will be dealt with in accordance with the Internal Complaints Procedure.



37 Internal Complaints Procedure

Unimutual's internal complaints procedure is designed so that we may formally attend to any complaint where you believe your personal information may have been incorrectly used or disclosed.

If you would like to obtain further information about our privacy policy or complaints procedure, you can contact the Privacy Officer on 02 9169 6900 or by e-mail: privacy@unimutual.com.au

If the complaint is not related to a privacy matter or a claim's related matter, then please contact service@unimutual.com.au

Any claims related complaints are dealt with in accordance with the Claims Disagreement Process set out in the Rules and in Clause 23 above.

38 General

Despite anything in this PDS that suggests otherwise, the Protections set out in this PDS are subject to the Rules of Unimutual and to the limits, Member Retentions and any other limitation specified in the Certificate of Entry and Schedule of Protection sent to you at the commencement or renewal of your Protection.

The payment of claims for Protection is always at the discretion of the Board.

39 How to contact us

For more information contact us

By telephone: 02 9169 6600

By email: service@unimutual.com.au

By mail: Unimutual Limited, PO Box H96, Australia Square NSW 1215



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Unimutual Limited

Product Disclosure Statement

PART 2 – Constitution of Unimutual Limited

This is Part 2 of the PDS dated 01 November 2023 issued by

Unimutual Limited
Phone: (02) 9169 6600
Email: service@unimutual.com.au
Website: www.unimutual.com
AFS Licence No: 241 142
ABN: 45 106 564 372



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Interpretation

1 The name of the Company is UNIMUTUAL LIMITED.

2

(a) In this Constitution the following words and phrases shall (unless the context otherwise requires) have the following meanings:

“Act” means the Commonwealth Corporations Act 2001 including any amendment or reenactment thereof for the time being in force.

“Board” means the Board of Directors of the Company.

“Closed Protection Year” means a Protection Year that has been closed by the Board in accordance with the Rules.

“Company” means the Company above named.

“Constitution” means this Constitution and any supplementary substituted or amending Constitution for the time being in force.

“Contribution” and “Contributions” shall have the same meanings as in the Rules and shall be calculated and paid by each Member as set out therein.

“Director” means a duly appointed director of the Mutual.

“Distribution” includes a dividend.

“Eligible Entity” means a Member who is an Eligible Mutual Member and who at the time of acquisition of the MCI by the Member is not an Unfinancial Member.

“Eligible Mutual Member” means a Member, other an Initial Member, who is admitted as a Member under Clause 6.2.

“Initial Member” means a Subscriber.

“MCI” means a Mutual Capital Instrument for the purposes of section 167D of the Corporations Act, 2001 (Cth).

“MCI Holder” means a person who is registered in the books of the Mutual as a holder of an MCI.

“Member” means a member of the Mutual under Clause 6.2.

“Member’s Representative” is as defined by the Rules.

“the Mutual” means the Company.

“Protection Year” means the period chosen by the Board in accordance with the Rules.

“Open Protection Year” means a Protection Year that has not been closed by the Board in accordance with the Rules.

“the Rules” means the document issued in accordance with Clause 62 of the Constitution.

Register means the register of Members of the Mutual and any register of MCI Holders kept in accordance with the Corporations Act.

“Seal” means the Common Seal of the Mutual.

“Secretary” means any person appointed to perform the duties of a Secretary of the Mutual.

“State” means the State of Victoria unless specified otherwise.

“Transmission Event” means the dissolution of the MCI Holder or the succession by another body corporate to the assets and liabilities of the MCI Holder.

“Unfinancial Member” means a Member who fails to pay in full the Contributions due to be paid by the Member to the Mutual under this Constitution or under the Rules or in respect of any other requirements for membership for a member set by the directors under this Constitution by the due date or such later date as the Mutual may allow.

- (b) Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, typewriting, lithography, facsimile, photography and any other mode of representing or reproducing words in the visible form.
- (c) Words or expression contained in this Constitution shall be interpreted in accordance with the Corporations Act as in force at the date at which this Constitution becomes binding on the Company.
- (d) Powers of delegation shall not be restrictively construed but the widest interpretation shall be given thereto.
- (e) The word “Directors” and “Board” in the context of the exercise of any power contained in this Constitution includes any committee consisting of one or more Directors, any Director holding executive office and any Manager or agent of the Mutual to which or, as the case may be, to whom the power in question has been delegated.
- (f) No power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation.
- (g) Except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under this Constitution or under another delegation of the power.

Words importing persons shall include individuals, partnerships, corporations and mutuals.

Replaceable Rules

- 3 The Replaceable Rules contained in the Act do not apply to the Mutual.

Objects

- 4 The objects for which the Mutual has been established are:

- (a) To act as a mutual company in dealings with its Members and to receive Contributions from Members;

- (b) To pay claims for protection relating to certain liabilities, losses or expenses incurred by Members on a discretionary basis in accordance with the Rules;
- (c) To enter into or arrange insurance or reinsurance contracts as deemed necessary from time to time and to negotiate directly or indirectly with the insurance market cover for any risk for the benefit of the Mutual and/or the Members;
- (d) Provide financial product advice for the following classes of financial products:
 - (i) financial products limited to:
 - (A) miscellaneous financial risk products limited to mutual risk products; and
 - (B) general insurance products;
- (e) Deal in a financial product by:
 - (i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of financial products limited to miscellaneous financial risk products and to mutual risk products; and
 - (ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of general insurance products;
- (f) Provide the following custodial or depository services: operating custodial or depository services other than investor directed portfolio services.
- (g) To establish wholly owned subsidiaries (including wholly owned insurance companies in New Zealand or elsewhere) for any purpose including the insuring of the risks of the Mutual and/or the Members;
- (h) To keep data and provide facilities for study and research in relation to all matters relating to the insurance of Universities and entities associated with education or research and their affiliates, members and staff;
- (i) To aid or engage in the development or promotion of University research or other research or the application or use of such research in relation to risk management and or loss-prevention;
- (j) To join, co-operate with or become a member of any society, committee, Mutual or other body or group howsoever constituted having for its object or included in its objects the defence or advancement of the interests of Universities and entities associated with education or research, and their affiliates, members and staff by joint or concerted action, and to support and contribute to the funds of any such society, committee, Mutual or other body or group;
- (k) To consider all questions connected with loss prevention and insurance as they might relate to Universities and entities associated with education or research or their affiliates, members and staff, to analyse and circulate statistics and other information relating thereto and generally to supply information and advice relating thereto or to the interest of any member therein and to promote or oppose legislative or other measures affecting the same.
- (l) To invest and deal with the monies of the Mutual which monies are not immediately required for the purposes of its business in or upon such stocks, shares, bonds, debentures, derivatives, futures, options, swaps, or other securities or the purchase of such currencies, commodities or other real or personal property, or by means of being deposited in accounts and in such manner as may from time to time be determined;

- (m) To borrow and raise money and to give any guarantee for payment of money or the performance of any contractual obligation or undertaking by any person, company or government body and to secure any such guarantee by mortgaging or charging any real or personal property or any other asset of the Mutual;
- (n) To pay all outgoings, costs, charges, losses and expenses incurred in or incidental to the promotion and establishment of the Mutual or the activities of the Mutual;
- (o) To appoint or employ any person to act as agent, representative, manager, adviser, consultant or otherwise on behalf of the Mutual in relation to any of the activities or proposed activities of the Mutual;
- (p) To open and operate any account or accounts with any bank or building society, to advance, lend or deposit money or give credit to or with any company on such terms as may be thought fit and with or without security
- (q) To permit any asset of the Mutual to be held or registered in the name of any nominee of the Mutual and to deposit securities or other investments belonging to or relating to the Mutual with any bank, building society or custodian;
- (r) To purchase and maintain for any director, auditor, officer, trustee, manager or any other person (including retired persons) insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against;
- (s) To enter into any partnership or arrangement in the nature of a partnership, joint venture, co-operation or union of interests, profit/loss-sharing arrangement or other Mutual or relationship, with any person or company engaged or interested in or who or which may become engaged or interested in the carrying on or conduct of any business which the Mutual is authorised to carry on or conduct or from which the Mutual would or might derive any benefit whether direct or indirect, and to take or otherwise acquire shares and securities in or of any such company (whether fully or not fully paid up or with limited or unlimited liability) and to sell, hold, re-issue with or without guarantee or otherwise deal with the same;
- (t) To establish or promote, or join in the establishment or promotion of, any other company in any part of the world whose objects shall include the taking over of any of the assets or liabilities of the Mutual or the promotion of which shall or may be calculated to advance its interests, and to acquire, hold, sell or otherwise deal with any shares, securities or obligations of any such company;
- (u) To amalgamate with any other company with similar objects;
- (v) To enter into any arrangement with any government or authority, municipal, local or otherwise, that may seem conducive to the Mutual's objects or any of them and to obtain from any such Government or authority any rights, privileges or concessions which the Mutual may think it is desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions and further to support or oppose any proposal made by any person or by any body of persons to secure changes in the law affecting the Mutual or the business of the Mutual or any of its rights, privileges or concessions and to subscribe to any fund that may be raised or utilised for the purpose of or in connection with the support of, or opposition to, any such proposal;
- (w) To acquire or undertake the whole or any part of the business, goodwill and assets of any person or company carrying on or proposing to carry on any of the businesses which the Mutual is authorised to carry on and in connection with any such acquisitions to undertake all or any of the liabilities of such person or company and to conduct or carry on such business;
- (x) To sell or dispose of the undertaking, property and assets of the Mutual or any part thereof in such manner and for such consideration as the Board may think fit, and in particular for shares (fully or partly paid up) securities or obligations of any other company whether promoted by the Mutual for

the purpose or not and to improve, manage, develop, exchange, lease, dispose of or otherwise deal with all or any part of the property and assets of the Mutual;

- (y) To cause the Mutual to be recognised in any foreign country;
 - (z) To join, co-operate with or become a member of any society, committee, Mutual or other body or group howsoever constituted having for its object or included in its objects the defence or advancement of the interests of the Members, and staff by joint or concerted action, and to support and contribute to the funds of any such society, committee, Mutual or other body or group and generally to make such charitable, philanthropic, useful or other donations or subscriptions to any persons or Mutuels or objects as the Board may think fit;
 - (aa) To do all or any of the above things in any part of the world and either as principal, agents, trustees or otherwise, and either alone or in conjunction with another or others, and by or through agents, sub-contractors, trustees or otherwise;
 - (bb) To do all such things as are, in the opinion of the Board incidental or conducive to the attainment of the above objects or any of them and as are permitted by law for a company limited by guarantee and with no share capital. The objects of the Mutual as specified in Sub Clauses (a) to (m) above shall be construed as the main objects of the Mutual and the powers conferred on the Mutual by any of the Sub-Clauses (n) to (aa) above shall be restricted by reference to or inference from the terms of the main objects of the Mutual.
- 4.1 For the sole purpose of carrying out the objects and in addition to the powers set out above the Mutual has the power and capacity to do all such acts, deeds and things as a company has capacity and power to do pursuant to the Act including but without limiting the generality of the foregoing:
- (a) To accept or refuse any gift, endowment or bequest made to or acquired by the Mutual generally for the objects herein set forth or for the purpose of any specific object and to undertake, execute and carry out any charitable or other trust which may be considered expedient or desirable in the interests of the Mutual;
 - (b) To print and publish or to contribute to the publication of any newspaper, periodical, journal, leaflet, book or magazine and to print, publish and circulate books, papers, pamphlets and information and to provide and circulate any annual or other report of the Mutual and its proceedings and work;
 - (c) To subscribe to, become a member of and co-operate with any other Mutual or organisation, whether incorporated or not, whose objects are altogether or in part similar to the Mutual;
 - (d) In furtherance of the objects of the Mutual to buy, sell and deal in all kinds of apparatus, literature and other items required by the members of the Mutual or persons frequenting the Mutual's premises;
 - (e) To purchase, take in exchange, hire or otherwise acquire any lands, buildings, easements or property, real and personal and any rights or privileges which may be requisite for the purposes of, or capable of being conveniently used in connection with, any of the objects of the Mutual provided that in case the Mutual shall take or hold any property which may be subject to any trusts the Mutual shall only deal with the same in such manner as is allowed by law having regard to such trusts;
 - (f) To appoint, employ, remove or suspend such managers, clerks, secretaries, servants, workmen and other persons as may be necessary or convenient for the purposes of the Mutual;
 - (g) To establish and support or aid in the establishment and support of Mutuels, institutions, funds, trusts and conveniences calculated to benefit employees or former employees of the Mutual or dependants or connections of any such persons, to grant pensions and allowances to make payments towards insurance; and to subscribe or guarantee money for charitable or benevolent objects, or for any public, general or useful object;

- (h) To construct, improve, maintain, develop, work, manage, carry out, alter or control any houses, buildings, grounds, works or conveniences which may seem calculated directly or indirectly to advance the Mutual's interests and to contribute to, subsidise or otherwise assist and take part in the construction, improvement, maintenance, development, working, management, carrying out, alteration or control thereof;
- (i) To invest and deal with the monies of the Mutual not immediately required in such manner as may be permitted by law for the investment of trust funds and any other investments as might be made by a prudent investor;
- (j) To borrow or raise or secure the payment of money in such manner as the Mutual may think fit and to secure the same or the repayment or performance of any debt liability, contract, guarantee or other engagement incurred or to be entered into by the Mutual in any way and in particular by the issue of debentures perpetual or otherwise charged upon all or any of the Mutual's property (both present and future), and to purchase, redeem or pay off any such securities;
- (k) To make, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;
- (l) To take or hold mortgages, liens and charges to secure payment of the purchase price or any unpaid balance of the purchase price, of any part of the Mutual's property of whatsoever kind sold by the Mutual, or any money due to the Mutual from purchasers and others;
- (m) To take any gift of property whether subject to any special trust or not, for any one or more of the objects of the Mutual but subject always to the other provisions of this Constitution;
- (n) In furtherance of the objects of the Mutual to amalgamate with any companies, institutions, societies or Mutuals having objects altogether or in part similar to those of the Mutual;
- (o) In furtherance of the objects of the Mutual to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, institutions, societies or Mutuals with which the Mutual is authorised to amalgamate;
- (p) In furtherance of the objects of the Mutual to transfer all or any part of the property, assets, liabilities and engagements of the Mutual to any one or more of the companies, institutions, societies or Mutuals with which the Mutual is authorised to amalgamate;
- (q) To make donations for patriotic or charitable purposes;
- (r) To raise money to further the aims of the Mutual and to secure sufficient funds for the objects of the Mutual (including by way of issuing MCIs).
- (s) To do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Mutual.

4.2 Without limiting the generality of the foregoing the Mutual has the powers set out in Section 124 of the Act.

Business

- 5 The business of the Mutual shall consist of all the matters and things set forth in this Constitution and shall be conducted under the control of the Board according to the terms of this Constitution and the Rules.



Membership

- 6 The number of members of the Mutual is unlimited.
- (a) Any University or other educational institution or research institution or entity associated with education or research or with education or research institutions established in Australia, New Zealand or elsewhere is eligible for membership of the Mutual (an “Eligible Mutual Entity”);
 - (b) The Subscribers to the Memorandum shall be the Initial Members of the Mutual. The Initial Members shall automatically cease to be Initial Members upon an Eligible Mutual Entity becoming a Member;
 - (c) An Eligible Mutual Entity desiring to become a Member of the Mutual may apply in writing in such form as may be required by the Board;
 - (d) The application;
 - (i) must state that the applicant agrees that upon its admission to the Mutual as a Member, it agrees to be bound by the provisions of this Constitution and the Rules;
 - (ii) must specify the number of Protection Years for which the Member seeks admission to the Mutual;
 - (e) Upon the receipt of an application, the Board may in its absolute discretion admit the applicant to the Mutual as a Member. At the next meeting of the Board after the receipt of any application for membership, such application shall be considered by the Board which shall thereupon determine the admission or rejection of the applicant. In no case shall the Board be required to give any reason for the rejection or admission of an applicant. The Board is not obliged to give reasons for any refusal to admit the person or entity to membership;
 - (f) The names of the Members shall be recorded in the Register kept by the Mutual for that purpose;
 - (g) At the time of admission of a Member to the Mutual shall issue a Certificate of Entry stating;
 - (i) the name of the Member;
 - (ii) the number of Protection Years for which the Member is admitted to the Mutual;
 - (iii) the matters required by the Rules to be stated in the Certificate of Entry.
 - (h) A Certificate of Entry is, in the absence of manifest error, conclusive evidence of the admission to the Mutual of the Member and of the other matters stated in the Certificate;
 - (i) Admission to the Mutual as a Member constitutes an obligation (enforceable by the Mutual on the part of the Members) to be bound by and observe the provisions of this Constitution and the Rules applicable to the Members;
 - (j) Admission to the Mutual as a Member shall be effective either for the one Protection Year in which the Certificate of Entry was issued and shall continue for so long as that Protection Year remains an Open Protection Year, but shall cease upon that Protection Year becoming a Closed Protection Year, or shall be effective for the number of Protection Years for which the Certificate of Entry was issued and shall continue for so long as any one of those Protection Years remains an Open Protection Year, but shall cease upon all those Protection Years becoming Closed Protection Years. Provided that a person shall not cease to be a Member pursuant to this Clause if that would cause the Mutual to be in breach of the Act or any law or cease to be in existence;
 - (k) The Mutual may renew a Member’s admission as a Member for an individual Protection Year or for consecutive Protection Years at its sole discretion. The Mutual may impose special rules determined in its sole discretion on renewals or applications for admission for consecutive Protection Years;



- (l) A Member may resign membership on giving three months' notice in writing. However, resignation does not release a member from any obligations under the Rules which shall continue until such obligations cease to have effect under the Rules;
- (m) Membership shall be personal to the person or entity concerned and is not transferable, assignable or subject to novation;
- (n) When an applicant has been accepted for membership the Secretary shall forthwith send to the applicant written notice of its acceptance and a request for payment of its Contribution. Upon payment of its Contribution the applicant shall become a member of the Mutual provided however that if such payments are not made within two (2) calendar months after the date of the notice, the Board may in its discretion cancel its acceptance of the applicant for membership of the Mutual.
- (o) All Contributions shall become payable as a consequence of membership of the Mutual and shall become due and payable at such time or times determined by the Board.

MCI Holders

- 7 The Mutual may establish MCI share capital and issue MCIs to Eligible Mutual Members in accordance with Clause 16.

Cessation of Membership

- 8. If any Contribution of a Member shall remain unpaid for a period of two (2) calendar months after it becomes due then the Member may after notice of the default shall have been sent to it by the Secretary be debarred by resolution of the Board. Upon being so disbarred all privileges of membership, and its name, may be removed by the Board from the Register of Members. The Board may reinstate the Member and restore its name to the Register on payment of all arrears and interest and costs if the Board thinks fit to do so.
- 9. A Member (other than an MCI Holder) may at any time by giving notice in writing to the Secretary resign its membership of the Mutual but the Member shall continue to be liable for any unpaid Contributions and all arrears, interest and costs due and unpaid at the date of its resignation and for all other monies due by it to the Mutual and in addition for any sum not exceeding \$1.00 for which it is liable as a member of the Mutual under Clause 12 of the Constitution.
- 10. If any Member shall wilfully refuse or neglect to comply with the provisions of the Constitution or shall be guilty of any conduct which in the opinion of the Board is unbecoming of a Member or prejudicial to the interests of the Mutual the following shall apply. The Board shall have power to expel the Member from the Mutual and erase its name from the Register of Members provided that at least one week before the meeting of the Board at which a resolution for its expulsion is proposed the Member shall have had notice of such meeting and of what is alleged against it and of the intended resolution for its expulsion and that it shall at such meeting and before the passing of such resolution have had an opportunity of giving orally or in writing such explanation or defence it may think fit. Any such Member may by notice in writing lodged with the Secretary at least twenty four (24) hours before the time for holding the meeting at which the resolution for its expulsion is to be considered by the Board elect to have the question of its expulsion dealt with by the Mutual in General Meeting. In that event a General Meeting of the Mutual shall be called for the purpose and if at the meeting a resolution for the expulsion of the member be passed by a majority of two-thirds of those present and voting (such vote to be taken by ballot) the member shall be expelled and its name removed from the Register of Members.
- 11 A Member (other than a MCI Holder) shall cease to be a Member immediately upon any of the following events occurring:

- (a) The dissolution of the Member;
- (b) The Member being declared bankrupt or insolvent;
- (c) A resolution being passed or an order made for the winding up of the Member other than for the purposes of reorganisation;
- (d) The Member making any composition or arrangement with its creditors;
- (e) A receiver, trustee, liquidator, manager or administrator being appointed over the assets or undertaking of the Member.

PROVIDED ALWAYS that such Member shall be and remain liable to pay to the Mutual all such calls, fees and Contributions and monies, interest and costs as under this Constitution or the Rules such Member is expressed to be liable to pay.

- 12 An MCI Holder ceases to be a MCI Holder when they cease:
 - 12.1 to be registered as the holder of the MCIs; or
 - 12.2 to be a Member.
- 13 For the avoidance of doubt unless expressly stated otherwise in this Constitution:
 - 13.1 An MCI Holder is not a Member of the Mutual merely by virtue of holding an MCI;
 - 13.2 All MCI Holders must be (or become) a Member of the Mutual and admitted to membership in accordance with the Constitution.

Liability

- 14 The liability of the Members is limited.

Member's Contribution

- 15 Every Member undertakes to contribute to the property of the Mutual in the event of the same being wound up while it is a Member, or within one (1) year after it ceases to be a Member, for payment of the debts and liabilities of the Mutual contracted before it ceases to be a Member, and of the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one dollar (\$1.00).

Mutual Capital Instruments (MCI)

- 16 The Mutual is intended to be a MCI mutual entity for the purposes of the Act and MCIs may be issued in accordance with this Clause 16.
- 17 MCIs have the following limitations, rights and entitlements:
 - 17.1 the Mutual may only issue MCIs as a fully paid share;
 - 17.2 MCIs do not carry a right to vote unless the MCI Holder is also a Member in which case they may vote only in their capacity of a Member and not as an MCI Holder.
 - 17.3 MCIs confer on the MCI Holder a right to participate in dividends (if any) declared. These dividends are non-cumulative;

- 17.4 the right to participate in dividends outlined in clause 17.3 only arises when payment of the dividend is fair and reasonable to Members and MCI Holders;
- 17.5 on a winding up, all MCI Holders are entitled to participate in any surplus with priority over Members. Such distribution of surplus will be based on the number of MCIs held by any holder of MCIs; and
- 17.6 any other limitations, rights or entitlements the Board may choose provided that such limitations, rights or entitlement are otherwise consistent with this clause 17.
- 18 Except in the case of a Transmission Event only Eligible Mutual Members may be issued with or otherwise be the holder of an MCI.
- 19 The terms of issue, rights and entitlements to dividends and distributions, and value in respect of MCIs that may be issued by the Directors from time to time will be determined by the Directors in their absolute discretion provided always the Mutual complies with the Corporations Act and maintains its status as a MCI Mutual Entity.
- 20 The value of an MCI unit shall be as determined by the Board.
- 21 Paying a dividend does not require confirmation at a general meeting.
- 22 An MCI may be issued with:
 - 22.1 the right to participate in surplus assets and profits (Participating MCI), in which case the Board shall determine the rate of participation at the time of issue; or
 - 22.2 no rights to participate in surplus assets and profits (non-Participating) in which case on the winding up of the Company, the MCI is entitled to payment in priority to the Members to the amount of any dividend accrued but unpaid on the MCI at the date of winding up and return of the amount of the issue price of the MCI.
- 23 The rights attached to an MCI can be varied or cancelled only by special resolution of the Company and either:
 - 23.1 by special resolution passed at a meeting of the MCI Holders of that class of MCI; or
 - 23.2 with the written consent of MCI Holders holding at least 75% of the votes in the class of MCI.
- 24 MCI Holders voting in accordance with Clause 23 are limited to one vote in their capacity as an MCI Holder regardless of the number of MCIs owned.
- 25 The Mutual may do anything in respect of its share capital permitted by the Corporations Act, including anyone (1) or more of the following:
 - 25.1 Convert all or any of its shares into a larger or smaller number of shares.
 - 25.2 Any form of capital reduction or buy back, provided that the Mutual maintains its status as a MCI Mutual Entity for the purposes of the Corporations Act.
- 26 Subject to clause 22, if there are different classes of shares on issue, the rights attached to a class may only be varied according to sections 167AE and 246B of the Corporations Act.”

MCI Holders

- 27 The Mutual may establish MCI share capital and issue MCIs to Eligible Mutual Members in accordance with Clauses 16 to 26.
- 28 The names of Eligible Mutual Members approved to receive MCI's will be entered into the MCI Share Register on payment of the subscription for the MCI.

- 29 MCI Holders are not eligible to be elected as Directors unless they are a Member and entitled to the rights of a Member irrespective of any MCI.
- 30 MCI Holders are bound by this Constitution.
- 31 Subject to the Corporations Act and the terms of issue of the MCIs, the provisions of this Constitution which deal with general meetings of Members of the Company (including relating to the appointment of proxies, attorneys and Representatives, and direct voting) shall apply, so far as they are capable of application and with any necessary changes, to meetings of MCI Holders.
- 32 The Board may (subject to this Constitution, the Corporations Act and the terms of issue of MCIs) determine new MCI Holders and specify the rights attaching to the MCI Holders, including the rights of the MCI Holders as to:
- 32.1 whether or not the MCI Holder is entitled to the receipt of notices of, and to attend and be heard at, any general meeting;
- 32.2 whether or not the MCI Holder is entitled to vote at any general meeting; and
- 32.3 any entitlement of the MCI Holder to dividends or distributions.

Dividend to MCI Holders

- 33 Subject to Section 254T of the Corporations Act, the Board may in its absolute discretion declare a dividend payment to MCI Holders and may decide the terms in which the dividend is to be paid.
- 34 Dividends must be paid to MCI Holders in accordance with the MCI Holder's rights to dividends.

Ceasing to be an MCI Holder

- 35 An MCI Member ceases to be an MCI Holder when they cease:
- 35.1 to be registered as the holder of the MCIs; or
- 35.2 to be a Member

General Meetings

- 36 The first General Meeting shall be held at such time, not being less than one (1) month nor more than three (3) months after the registration of the Mutual and at such place as the Board may determine.
- 37 An Annual General Meeting of the Mutual shall be held in accordance with the provisions of the Act. All meetings other than Annual General Meetings shall be called General Meetings.
- 38 Any member of the Board, or the Chairman, may whenever it thinks fit convene a General Meeting and General Meetings shall be convened on such requisition or in default may be convened by such requisitionists as provided by the Act. A General Meeting shall also be convened on requisition as is provided for by the Act or in default may be convened by such requisitionists as empowered to do so by the Act.
- 39 Subject to the provisions of the Act relating to special resolutions and agreements for shorter notice twenty one (21) days notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place the day and the hour of meeting and in case of special business the general nature of that business shall be given to such persons as entitled to receive such notices from the Mutual. If a special

resolution is to be proposed at the meeting the notice must be set out an intention to propose the special resolution and state the resolution.

- 40 All business shall be special that is transacted at a General Meeting and also all that is transacted at any Annual General Meeting, with the exception of the consideration of the accounts, balance sheets and the report of the Board and Auditors, the election of officers and other members of the Board in the place of those retiring and the appointment and fixing of the remuneration of the Auditors.

Proceedings at General Meetings

- 41 No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five Members present shall be a quorum. For the purpose of this Rule "Member" means Members and a person attending as a proxy or as representing a corporation which is a Member. If there are fewer than five members, a quorum is when all Members are present by proxy or representative.
- 42 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved, in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present (being not less than (2)) shall be a quorum.
- 43 The Chairman shall preside at every General Meeting of the Company, or if there is no Chairman, or if it is not present within fifteen (15) minutes after the time appointed for the holding of the meeting or is unwilling to act, the Vice-Chairman shall be the Chairman or if the Vice-Chairman is not present or is unwilling to act then the Members present shall elect one of their number to be Chairman of the meeting.
- 44 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give in any notice of an adjournment details of the business to be transacted at an adjourned meeting.
- 45 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded.
- (a) A poll may be demanded;
- (i) by the Chairman; or
 - (ii) by at least (3) Members present in person or by proxy.
- (b) A poll may be demanded;
- (i) before a vote is taken;
 - (ii) before the voting results on a show of hands is declared; or
 - (iii) immediately after the voting results on a show of hands are declared.
- (c) Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that



effect being made in the book containing the minutes of the proceedings of the Mutual shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- (d) The demand for a poll may be withdrawn.
- (e) Before a vote is taken the Chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are cast.
- 46 If a poll is duly demanded it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairman directs and the result of the poll shall be the resolution of the meeting at which the poll was demanded but a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith.
- 47 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- 48 A Member may vote in person or by proxy and on a show of hands every person present who is a Member or a representative of the Member shall have one vote and on a poll every person present in person or by proxy shall have one vote.
- 49 The instrument appointing a proxy shall be in the following form:

I of being a Member ofhereby appoint of or failing him.....of as my proxy to vote for me on my behalf at the (Annual or General as the case may be) Meeting of the Mutual to be held on the day of and at any adjournment thereof.

My proxy is hereby authorised to vote *in favour of/*against the following resolutions:

Signed this day of
.....

Note: In the event of the Member desiring to vote for or against any resolution it shall instruct its proxy accordingly. Unless otherwise instructed, the proxy may vote as it thinks fit.

- 50 The instrument appointing a proxy and the power of attorney or other authority if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the registered office of the Mutual or at such other place within the State as is specified for that purpose in the notice convening the meeting, not less than forty eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 51 A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, if no intimation in writing of such death, unsoundness of mind or revocation as aforesaid has been received by the Mutual at its registered office before the commencement of the meeting or adjourned meeting at which the instrument is used.
- 52 No Member shall be entitled to vote at any General Meeting if its Contributions shall be more than one (1) month in arrears at the date of the meeting.
- 53 Each Member shall be entitled to a single vote at a General Meeting regardless of the amount of their Contributions and regardless of the number of MCIs which they hold.

Board of Directors

54 The Board shall consist of a maximum of twelve (12) Directors and a minimum of four (4) Directors. The following provisions shall apply to the composition of the Board.

- (a) If the membership is drawn from more than four States or Territories of the Commonwealth of Australia, the Board of Directors must at all times comprise Directors from at least four different States or Territories and at least four of the Directors must be appointed from Australian Universities and if the Membership comprises one or more Universities in New Zealand, then at least one of the Directors shall be drawn from New Zealand; otherwise the Board must comprise at least one Director from each State or Territory from which the membership is drawn (the Composition Requirement).
- (b) The election of Directors (other than the Independent Directors) shall take place in the following manner:
 - (i) The nomination of a candidate must be in writing, signed by a proposer and a seconder (who shall be Members), and by the nominee. The nomination must be lodged with the Secretary at least fourteen (14) days before the Annual General Meeting at which the nomination is proposed.
 - (ii) An alphabetical list of the names of candidates and their respective proposers and seconders shall be given in writing at least seven (7) days before the relevant Annual General Meeting to every Member entitled to notice of the Annual General Meeting.
 - (iii) Balloting lists shall be prepared containing the names of the candidates.
 - (iv) At the Annual General Meeting each Member shall be entitled to vote for any one of the candidates on the Balloting list.
- (c) The Board may from time to time appoint one or more persons with such insurance or commercial expertise as it considers desirable as a Director or Directors of the Mutual. Any such Director shall be known as an "Independent Director". There shall be no more than four Independent Directors at any given time.
- (d) Every Director of the Mutual (other than an Independent Director) shall, when holding office, be employed or sponsored by a Member.
- (e) So as to ensure the widest possible engagement of Members at the Board, there shall be no more than one Director appointed from any Member institution.

55 Directors shall retire as follows:

- (f) At each subsequent Annual General Meeting of the Mutual one-third of the Directors (other than the Independent Directors), or, if their number is not a multiple of three, the number nearest to one-third shall retire from office.
- (g) The Directors to retire at each Annual General Meeting shall be those who have been longest in office since their last appointment or election. As between two or more who became, or were last re-elected Directors on the same day, those to retire shall (in default or agreement between them) be determined by lot.
- (h) A retiring Director shall retain office until the conclusion of the meeting at which that Director retires.
- (i) A retiring Director shall be eligible for re-election.
- (j) If at any General Meeting one or more Directors are elected which would result in a contravention of the Composition Requirement, those Directors having a lesser number of votes than any other

Director so elected from the same State or Territory in New Zealand or being from the same State or Territory or New Zealand as any Director already holding office shall be deemed not to have been elected and the candidate or candidates having the next greatest or greater number of votes shall be deemed elected provided that their election does not result in the Composition Requirement being contravened, in which event this Rule shall mutatis mutandis apply.

- 56 The Directors may, at any time and from time to time, appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number for the time being fixed. The Board shall notify the Membership of such an appointment.

Directors

- 57 A director may be removed as follows:

- (a) The Mutual may by ordinary resolution remove any Director from office;
- (b) A resolution under Sub- Clause 58 (a) hereof must have been proposed in writing, delivered to the Mutual at least twenty-eight (28) days prior to the General Meeting and distributed to Members at least twenty-one (21) days prior to the General Meeting at which such a resolution is to be considered.

- 58 The total remuneration of the Directors shall from time to time be determined by the Members in General Meeting. The Board shall determine the remuneration payable to each Director and that remuneration shall be deemed to accrue from day to day.

- 59 The Directors may be paid all reasonable traveling, hotel and other expenses properly incurred and accounted for by them in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Mutual or in connection with the business of the Mutual.

- 60 A retiring Director shall be eligible for re-election.

- 61 The office of Director shall become vacant if the Director:

- (a) Ceases to be a Director by virtue of the Act;
- (b) Becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- (c) Resigns his or her office by notice in writing to the Mutual;
- (d) Is removed from office pursuant to this Constitution;
- (e) Where the Director is employed or sponsored by a Member, that Director ceases to be so employed or sponsored;
- (f) Has absented himself or herself (such absence not being absence with leave or by arrangements with the Directors on the affairs of the Mutual) from three (3) consecutive meetings of the Directors and the Directors resolve that its or her office should be vacated;

- 62 If a Director is nominated by a Member of which he or she is a member or officer and that Member ceases to be a Member of the Mutual then the office of that Director in the Mutual shall become vacant;

- 63 Subject to a Director disclosing his or her interest in accordance with the Act that Director is not disqualified by his or her office from:



- (a) Entering into any contract, agreement or arrangement with the Mutual;
- (b) Holding an office of profit under the Mutual;
- (c) Becoming or remaining a Director of any corporation in which the Mutual is in any way interested or which is in any way interested in the Mutual;
- (d) Attending and voting at any meeting of the Directors in respect of any contract, agreement arrangement matter or thing in which it or she is interested; or
- (e) Attending and voting at any meeting of the Directors in respect of proposed amendments to the Rules or other matters which affect all Members equally.

PROVIDED ALWAYS that a Director shall not be entitled to attend and vote at any meeting of the Directors in respect of any claim for protection made pursuant to the Rules by the Member with whom that Director is associated.

- 64 A contract, agreement or arrangement entered into by or on behalf of the Mutual in which any Director is in any way interested is not for that reason void or voidable and a Director shall not be liable to account to the Mutual for any profits accruing to him or her.

Powers and Duties of Directors

- 65 The business of the Mutual shall be managed by the Directors who may pay all expenses incurred in promoting and forming the Mutual and may exercise all of the powers of the Mutual which are not by the Act or by this Constitution required to be exercised by the Mutual in General Meeting. Without prejudice to the generality of the foregoing, the Board shall, in accordance with the Rules, determine the Contributions to be paid by each Member in respect of each Protection Year (as defined in the Rules). The Members' Contributions shall constitute the funds of the Mutual. The Board shall consider all claims for protection made by Members under the Rules and may, in its sole and absolute discretion and in accordance with the Rules, grant from the funds of the Mutual to any such Member as indemnity wholly or in part in respect of the claim for protection made by such Member.
- 66 The Directors may meet together for the dispatch of business, and may adjourn and otherwise regulate their meetings as they think fit. Any Director may at any time and the Secretary shall on the requisition of any Director summon a meeting of the Directors.
- 67 Three (3) Directors shall form a quorum for a meeting of Directors.
- 68 A meeting of Directors may be held by telephone or teleconference or in any other way that the Directors think fit.
- 69 Questions arising at a meeting of the Directors shall be decided by a majority of votes of Directors present and voting and any such decision shall for all purposes be deemed a decision of the Directors, and on any equality of votes the chairman of the meeting, in addition to its or her deliberate vote (if any), has a casting vote.
- 70 In the event of a vacancy or vacancies in the office of a Director or offices of Directors, the remaining Directors may act, but if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of the Directors, the remaining Directors may act only for the purpose of increasing the number of Directors to a number sufficient to constitute such a quorum or of convening a General Meeting of the Mutual.
- 71 The Directors may delegate any of their powers to a committee or committees consisting of one of more Directors and any power so exercised shall be deemed to have been exercised by the Directors.

- 72 A committee shall exercise the powers delegated to it in accordance with any directions of the Directors and any power so exercised shall be deemed to have been exercised by the Directors.
- 73 The proceedings of any committees shall be conducted in the same manner as meetings of the Directors.
- 74 The Directors may elect one (1) of their number as Chairman and may determine the period for which it or she is to hold office and if no such Chairman is elected or if at any meeting of the Board or a Committee of the Board the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act, those present shall elect one of their number to be a chairman of that meeting.
- 75 A resolution in writing signed by each of the Directors for the time being entitled to receive notice of a meeting of the Directors or by all members of a committee for the time being duly convened shall be valid and effectual as a resolution passed at a meeting of the Directors, or as the case may be, of such committee and such resolution may consist of several documents in like form each signed by one or more Directors.
- 76 All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director are, notwithstanding that it is afterwards discovered that there was some defect in the appointment of a person to be Director or a member of a committee or to act as a Director or that a person so appointed was disqualified, is valid as if the person had been duly appointed and was qualified, to be a Director or be a member of the committee.
- 77 The Directors shall cause minutes to be made of all proceedings of General Meetings of the Mutual, of meetings of the Directors and of any committees of the Board and of the attendances thereat and of all appointments of officers made by the Directors. Any such minute, if signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.
- 78 The Directors may appoint independent Managers to manage any or all aspects of the business of the Mutual on such terms, including the payment of remuneration to the Managers as they think fit.

Secretary

- 79 The Secretary shall in accordance with the Act be appointed by the Board for such term, at such remuneration and upon such conditions as it thinks fit and any Secretary so appointed may be removed by it. Nothing herein shall prevent the Board from appointing a Member of the Mutual as Honorary Secretary and any Member so appointed shall forthwith become an officer of the Mutual and, if not already a member of the Board, ex officio a member of the Board and it shall be subject to the provisions of Rule 18 of this Constitution.

Common Seal

- 80 The Board may provide for the safe custody of the Seal. The Seal shall only be used by the authority of the Board, or of a committee of the Board authorised by the members of the Board to authorize the use of the Seal. Every document to which the Seal is affixed shall be signed by a Director and countersigned by another Director, the Secretary or another person appointed by the Directors to countersign that document or a class of documents in which that document is included.
- 81 The Mutual may execute a document without using the Seal if the document is signed by:
- (a) two members of the Board;
 - (b) a member of the Board and the Secretary; or
 - (c) a person authorised by the Board.

Accounts

- 82 The Board shall cause proper accounting and other records to be kept in accordance with the provisions of the Act. The Board shall from time to time in accordance with the Act cause to be prepared and to be laid before the Mutual in General Meeting such income and expenditure accounts, profit and loss accounts, balance sheets and reports as are specified in the Act. A copy of every balance sheet including every document required by the Act to be annexed thereto) which is to be laid before the Mutual in General Meeting, together with a copy of the auditor's report, shall at least twenty-one (21) days before the date of the meeting be sent by post to every Director, Member and the Auditors. The Board shall from time to time determine whether and to what extent and at which times and places and under what conditions or regulations the accounting records and other documents of the Mutual or any of them will be open to the inspection of Members and no Member shall have the right of inspecting any documents of the Mutual except as provided by law or authorised by the Board or by the Mutual in General Meeting.

Audit

- 83 A properly qualified Auditor or Auditors shall be appointed and its or their duties shall be regulated in accordance with the Act.

Winding Up

- 84 The Board may in accordance with the Act resolve to wind up the Mutual. The surplus assets of the Company shall be transferred to the Members of the then Open Protection Years and those Members who were Members at any time during the five (5) Protection Years immediately preceding or ending on the Termination Date and/or who were Members in the Protection Year in which termination occurs (if any) in the proportion in which Combined Contributions paid by each Member bears to the total Combined Contributions paid by Members of each Open Protection Year and Members who were Members during such five (5) Protection Years and/or the Protection Year in which winding up occurs.
- 85 Before any distribution of the surplus assets is made after the winding up is completed, there shall be paid or set aside all amounts which the Board considers necessary to provide for all actual and potential claims on the resources of the Mutual arising from events which have occurred prior to the winding up.
- 86 Debts owed to a holder of an MCI by way of a divided are to rank ahead of all other debts owed to Members in a winding up but rank below all other debts.

Rules of The Mutual

- 87 The Board may make Rules from time to time prescribing:
- (a) the form of application for admission to the Mutual as a Member;
 - (b) the basis upon which claims for protection shall be considered by the Mutual;
 - (c) the nature and extent of the protection to be provided by the Mutual and the exclusions therefrom;
 - (d) the amounts of Contributions to the Mutual to be paid from time to time;
 - (e) the obligations of the Mutual and the Members in respect of their claims for protection;
 - (f) such other matters incidental to the activities of the Mutual as the Board thinks fit,

and the Board may by resolution alter the Rules from time to time as the Board considers appropriate.

- 88 The Rules made by the Board have effect as a contract between the Members and the Mutual and every Member shall be bound accordingly.

Distributions to Members

- 89 The Board may in its absolute discretion divide and classify the profits of the Mutual as attributable to particular Open or Closed Protection Years. Distributions may be declared only by the Board in its sole discretion in respect of Open or Closed Protection years. Interest is not payable by the Mutual in respect of a Distribution.
- 90 A Distribution may be paid in any manner determined by the Board and permitted by law, including wholly or partly by the payment of cash and the transfer of assets. Where any difficulty arises in regard to a distribution satisfied wholly or in part by the transfer of assets, the Board may settle the matter as they think expedient. In respect of a distribution, the Board may do any or all of the following:
- (a) fix the value for distribution of those specific assets or any part of them;
 - (b) determine that cash payments are to be made to some Members in order to equitably adjust the rights of all Members;
 - (c) vest any of those specific assets in trustees as the Board consider expedient.
 - (d) deduct from any Distribution payable to a Member all sums of money, if any, presently payable by the Member to the Mutual.
- 91 To the extent permitted by law, the Board may resolve to capitalise the whole or a part of the profits of the Mutual and may apply that amount in any manner permitted by this document or by law. A sum capitalised must be applied for the benefit of the Members in the proportions in which those Members would have been entitled to that sum if distributed by way of Distribution. The Members must accept an application of capital in full satisfaction of their interests in that capital. To the extent necessary to adjust the rights of Members among themselves, the Board may take any other action necessary to equalise entitlements of Members.

Dividend to MCI Holders

- 92 Subject to Section 254T of the Corporations Act, the Board may in its absolute discretion, declare a dividend payment to the MCI Holders and may decide the terms in which the dividend is to be paid.
- 93 Dividends must be paid to MCI Holders in accordance with the MCI Holder's rights to dividends.

Notices

- 94 Any notice to any Member or any payment shall be deemed to have been duly served if duly directed to the address of the Member given in the register or advised by the Member to the Mutual from time to time, and sent by post prepaid, and its non-receipt by the Member Representative shall in no way invalidate or affect any matter or proceeding to which it relates.
- (a) Notice of every General Meeting shall be given in the manner herein before authorised to:
- (i) every Member entitled to vote at the meeting;
 - (ii) the Auditor for the time being of the Mutual; and
 - (iii) every Director of the Mutual.



No other person is entitled to receive notices of General Meetings.

Indemnity

- 95 Every Director, officer and employee of the Mutual shall be indemnified out of the property of the Mutual against any liability incurred by that person in that person's capacity as Director, officer or employee in defending any proceedings, whether civil or criminal, in which judgment is given in that person's favour or in which that person is acquitted or in connection with any application in relation to any such proceedings in which relief is granted to that person by the Court. The Directors may exercise all the powers of the Mutual to purchase and maintain for any Director, officer or employee, insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against.



Unimutual Limited

Product Disclosure Statement

PART 3 – Rules of Unimutual Limited

This is Part 3 of the PDS dated 1 November 2023 issued by

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PART 1 INTRODUCTION

Rule 1 Constitution

Documents giving legal form to Unimutual Limited.

These Rules are to be read in conjunction with the Constitution of Unimutual Limited and, if one is issued in accordance with Rule 6(2), a Member's Certificate of Entry. The rules can be changed subject to Clause 62 of the Constitution. In the event of any inconsistency between the Constitution and these Rules, the Constitution will prevail.

It is a condition of membership of the Mutual that the Member agrees to be bound by these Rules which form part of the Product Disclosure Statement (PDS) together with the other documents in the PDS.

Rule 2 Definitions and Interpretations

Explanation of words and expressions used in these Rules.

Definitions 2(1)

In these rules the following words and expressions shall have the following meanings:

1. Affiliate

- (a) any college, hall of residence, union, club, society, association, foundation or institute incorporated or unincorporated, affiliated with, registered with or operating within the framework of a **Member** and formed by or with the knowledge and consent of a **Member** (including members of and office bearers of such clubs, associations and societies); and /or
- (b) any person or group of persons being members of or students of or employed by **Members** or their **Affiliates** or performing any function whatsoever in Australia, or elsewhere under the aegis of the **Member** or an **Affiliate**; and/or
- (c) any entity wholly or partly owned or controlled by a **Member** which has been accepted by Unimutual Limited as an **Affiliate** at the request of the **Member** and specified as such in the Certificate of Entry or Schedule; and/or
- (d) any entity which a Member; or any entity specified in (a) or (c) above, has, under contract or otherwise, agreed to include in their **Protections** but only to the extent required by such contract or agreed to by the **Member** or entity specified in (a) or (c) above and which has been accepted by the Mutual; and/or
- (e) Any past **Affiliate** whilst they were deemed an **Affiliate** of the **Member**.

2. Board

The Board of Directors from time to time of the Mutual.

3. Certificate of Entry

A document issued by Unimutual Limited to each **Member** on admission for each **Period of Protection**.

4. Closed Protection Year

A Protection Year of the Mutual, which the Board shall have declared to be closed in accordance with Rule 23.



5. Contribution

Any monies payable to the Mutual by a Member pursuant to Rule 6 and Rule 9, for the rights to claim for Protection.

6. Entry

The admission of a Member to the Mutual and /or a Member to categories of Protections.

7. Managers

The Mutual may outsource administration and related management services to an external manager or may elect to provide these services itself.

8. Member

The entity specified as the Member in the **Schedule of Protection**.

9. Member's Representative

A person nominated by a **Member** to exercise the privileges of membership on its behalf.

10. Mutual

Unimutual Limited.

11. Product Disclosure Statement

The documents, which together form the Product Disclosure Statement, provided to each Member, during which time the Member has a right to have the Mutual consider the Member's claim for Protection.

12. Protections

The basis of the discretionary membership benefits given to a **Member** by the **Mutual** as described in each Member's Schedule of Protection and Certificate of Entry.

13. Protection Year

The period chosen by the Board from time to time and, failing any such choice, shall be 00.01am AEST on 1 November in any year until 24.00 AEST October 31 in the next year.

Interpretation 2(2)

The expression "writing" will include printing, typewriting, lithography, facsimile and any other mode or modes of representing or reproducing works in a visible form.

The expression "cease" or "cessation" will mean "discontinue" or "come to an end" or "discontinuance", "termination" or "ending" respectively.

The expression "delay" will mean "a refraining from doing something in the required or reasonable period of time" and "waiver" will mean "the giving up of rights and/or interests, whether intentionally or not".

The expression "discretion" will mean "a power or right of making a decision or of acting according to choice".

The expression "without prejudice" will mean "without damaging, giving up or affecting a legal right or interest".

Words importing persons shall include individuals, partnerships, corporations and mutuals. Any reference to the discretion of the Board and to any action to be taken as the Board thinks fit will be construed as a discretion to be exercised and action to be taken in the sole and absolute discretion of the Board.



Rule 3 Discretionary Nature of Protections

The Board has the power and the right to make a decision concerning the Protections as the Board deems fit.

Protections 3(1)

The Protections which may be provided by the Mutual as set out in these Rules and, if issued in accordance with Rule 6(2) in the Member's Certificate of Entry provide a Member with the right to ask the Board to consider the Member's claim against loss, damage, liability, cost or expense incurred by that Member or as otherwise agreed with the Mutual for a Protection that is recorded on the Member's Certificate of Entry.

Any decision of the Board to accept a Member's claim for Protection is at the sole and absolute discretion of the Board in accordance with Rule 18(2)(A). Any reference in these Rules or in any Certificate of Entry issued in accordance with these Rules to "protected risks" or to "protection", or any such similar expression must be read accordingly.

Payment 3(2)

A Member is only eligible to make a claim for Protection if the Contributions for the Protection has been paid as specified in Rules 6 and 9 or in any Certificate of Entry issued in accordance with Rule 6(3).

Rule 4 Membership

Terms and conditions applicable to being accepted as a Member and to Membership.

Date of Membership 4(1)

The Certificate of Entry will show the commencement date for membership of the Mutual, which will be the date agreed with the Member. Membership of the Mutual confers no rights on any Affiliate of a Member against the Mutual or its Members. All dealings between an Affiliate and a Member remain dealings between the Member and the Affiliate.

Eligibility 4(2)

To be eligible as a Member, the entity must have 20 or more employees. If the entity has less than 20 employees, it may gain access to the benefit of Protections only if it is an Affiliate of a Member and the Mutual has agreed to grant Affiliate status to the entity.

Acceptance 4(3)

Acceptance of any person or entity or the refusal of membership to any person or entity is in the Board's absolute discretion. Membership of the Mutual is only valid when the Member has been accepted as a Member and the Member has paid the Contributions.

Rule 5 Right of Recovery

Right of the Member to seek compensation for loss, damage, liability, cost or expense subject to conditions.

Right 5(1)

Subject always to Rule 3, if a Member's claim for Protection is accepted by the Mutual, the Member shall be entitled to seek recovery out of the funds of the Mutual for the amount of any loss, damage, liability, cost or expense which may be incurred by the Member or as agreed with the Mutual in respect of the risks set out in Rule 13 to the extent and upon the terms, conditions and exceptions provided by these Rules and any Certificate of Entry.



Set Off 5(2)

Without prejudice to any other provisions of these Rules, the Mutual shall be entitled to set off any amount due from a Member at any time against any amount agreed to be due to such Member from the Mutual.

PART II ENTRY AND CONTRIBUTIONS

The terms and conditions applicable to admittance of a Member, applying for Protection, renewing Membership and making Contributions.

Rule 6 Entry

Details provided by the Member to be correct and true.

Obligation to Provide Correct Information 6(1)

The calculation of the Contributions paid by all Members is reliant on the information collected from individual Members being correct and so the failure of one Member to provide accurate information has the potential to impact on all Members and on the financial stability of the Mutual.

At the time of application to the Mutual, potential members will be asked a series of questions relevant to their eligibility for membership and to the Protections to be granted. The information provided will also be used by the Board to consider whether to accept the application for membership, the granting of Protection(s) and the cost of the Contribution payable.

Prior to the commencement of each Protection Year when a Member applies for a quotation for Protection, it will be asked to complete a data collection form to provide information that is relevant to the Protection being sought and to the rating of the Contribution that will apply.

It is a condition of entry to the Mutual that each Member or potential Member provides the requested information to the Mutual and that it is correct and up to date information at the time of application for admission to the Mutual and whenever after admission information is requested by the Mutual.

The Mutual considers a range of factors when determining a Member's Contribution for a requested Protection. These factors may include:

- (a) the detailed information provided by the Member's data collection form;
- (b) the number, location and value of properties to be covered by Property Protection;
- (c) the nature and extent of the activities of Affiliates;
- (d) the Member's previous claims history;
- (e) the size and nature of the Member;
- (f) the type of security devices, safety systems and fire protection in place;
- (g) the Member's general risk profile;
- (h) the maximum amount payable under that Protection;
- (i) the level of retention selected by the Member for the selected Protections;
- (j) external factors such as the cost of reinsurance and the total number of Members for the Protection Year; and
- (k) any other factor regarded as relevant by the Mutual at the time of assessing the Member's contribution.

Consequences of providing incorrect information 6(2)

If the information provided to the Mutual at the time of application or at the beginning of a new Protection Year is known to be incorrect or should have been known to be incorrect, the Board may in its absolute discretion refuse to grant membership, refuse to grant specific Protections applied for and may refuse to



agree to a claim for Protection. The Mutual may also exercise its discretion to cancel the Protection granted on the basis of the incorrect information.

Acknowledgment 6(3)

Members acknowledge that the Mutual is based on the principle that all members of the Mutual are reliant on each other to achieve the benefits provided by the Mutual so that the failure of any Member to provide correct information, knowingly or negligently, may prejudice the rights of other Members.

Warranty 6(4)

All particulars and information given in the course of applying for Membership and for Protection and the terms on which Membership or Protection is granted is deemed to form part of the terms of Entry between a Member and the Mutual and it shall be a condition precedent of such Entry that all such particulars and information are true and complete in so far as the same are within a Member's knowledge or would with reasonable diligence have been ascertained by that Member.

Contents of Certificate of Entry

Certificate of Entry 6(5)

The Mutual will issue a Certificate of Entry to each Member admitted to membership of the Mutual. In respect of a Member's details the Certificate of Entry will show:

- (a) The name of the Member, any Member's Representative and any Affiliate;
- (b) the period of Membership;
- (c) the Membership number;
- (d) the amount to be paid for the Contributions; and
- (e) any other matter that may be appropriate.

Protections Information 6(6)

In respect of the Protections information the Certificate of Entry will show:

- (a) the Protections under which the Member may claim from the Mutual; and
- (b) any other matters as may be appropriate.

Certificate of Entry Subject to Rules and Variations as Agreed

Subject to Rules 6(7)

The terms and conditions upon which the Entry of a Member is accepted into the Mutual, including those relating to the nature and extent of the Protection given to the Member and the Contributions payable by the Member will be as set out in these Rules. The terms and conditions will be subject to any variations that may be agreed between the Member and the Mutual so long as the variations are permitted by the Rules. The terms and conditions and any variations to them will be set out in any Certificate of Entry issued to the Member. The Member and the Mutual, may with each other's consent, vary the terms and conditions for the Entry.

Variation of Protection 6(8)

If at any time the Mutual and the Member agree to vary the terms and conditions on which a Protection is granted to the Member, the Mutual shall as soon as reasonably practicable after the agreement issue a new Certificate of Entry recording such revised terms or conditions. If a Certificate of Entry has already been issued to such Member, the Member may be issued with an endorsement to the Member's Certificate of Entry stating the nature of the variation and the date from which the variation is to take effect.

Variation of Terms of Entry 6(9)

The Member's Certificate of Entry is conclusive evidence of the terms of Entry and Protection between the Member and the Mutual.



Rule 7 Protection Year

Period of time during which the Protection is in place.

Protection Year 7(1)

Unless these Rules say otherwise, the Protection Year for a Member will be stated in the Member's Certificate of Entry. In the case of a variation in the Protection as a result of Member's notified change in personal or business circumstances the Member may be issued with an endorsement to the existing Certificate of Entry in accordance with Rule 6(4) or may be issued with a new Certificate of Entry which will show the date and time for the start of the new Certificate of Entry. For the avoidance of doubt, that Certificate of Entry will expire at the end of the Protection Year specified in the Certificate of Entry. There is no right to automatic extension or renewal of the Protection. If Members wish to effect similar Protection for a subsequent period, it will be necessary for the Member to provide the requisite declarations prior to the termination of the expiring Protection such that the Mutual may consider whether or not to offer another period of Protection, and if so, on what terms.

If a new Certificate of Entry is issued all Contributions paid or payable by a Member during the Protection Year stated on that Certificate of Entry will be accounted for in the books of account of the Mutual as belonging to that Protection Year.

Withdrawal of Entry 7(2)

A Member may not withdraw from membership of the Mutual at any time or in any manner except:

- (a) in accordance with the provisions of the Rules; or
- (b) with the consent of the Mutual.

New Protection Year 7(3)

Before the Protection Year shown in the Member's Certificate of Entry expires, the Mutual will provide the Member or the Member's Representative a written notification of the basis on which it will consider applications for renewal of the Protection and the Contribution payable by the Member for that Protection in the next Protection Year.

The terms and conditions on which the Protection is agreed by the Mutual will be set out in the Product Disclosure Statement provided to the Member and in the Certificate of Entry. In the event that the terms or conditions have changed the Member will be provided with a new Product Disclosure Statement for consideration before the expiry of the existing Protection Year.

If the Member wishes to renew the Protection for a new Protection Year, the Member must apply to the Mutual on or before the expiry date stated in the Certificate of Entry. The Member is required to apply to renew the Protection for the next Protection Year provided always that the Mutual may in its absolute discretion accept a late application for re-entry. If Protection is granted to the Member for the new Protection Year, the new Protection Year will start immediately on the expiry of the existing Protection Year and in accordance with the information and requests contained in the Member's application for renewal. Protection will be provided on the same terms and conditions set out in the Product Disclosure Statement and the Certificate of Entry, unless:

- (a) the Member completes an application asking for different Protections or the Member completes an application asking for different terms and conditions; and
- (b) the Board agrees to the Member's request.

Renewal of a Protection for a new Protection Year is subject always to the Member having a current Certificate of Entry at the time the Protection Year commences.

Cancellation of Protection by the Mutual 7(4)

The Mutual may at its discretion give notice in writing to the Member or the Member's Representative before the end of the Protection Year shown on the Member's Schedule of Protection that the Mutual will cease to offer a Protection to the Member. In this event the Protection will cease at the date and time shown on the Certificate of Entry.



Cancellation of Protection by a Member 7(5)

A Member may not cancel a Protection during a Protection Year without the consent of the Mutual and only on the terms and conditions that the Mutual in its discretion thinks fit.

A Member may apply to cancel a Protection at the expiry of a Protection Year by giving notice to the Mutual three months prior to the expiry of the Protection Year stated in the Certificate of Entry.

The Mutual is required to negotiate the terms of the insurance and reinsurance several months prior to the expiry of the Protection Year and the amount payable is determined by the total number of members and the total exposure of risk to the Mutual for the new Protection Year.

If a Member fails to give notice within the time, the Member will be required to pay the Contribution for the new Protection Year unless the Mutual in its absolute discretion determines otherwise. In making its decision the Mutual will consider amongst other matters, the financial impact on the Mutual and the impact of the late notification on each of the other Members.

In the event that the Mutual gives notice of a change to the terms under Rule 7(3) or a change in the level of Contributions required, a Member's Protection will cease where agreement cannot be reached prior to the expiry of the Protection Year.

Rule 8 Application of Contributions

Contributions to the Funds are to be made by the Member and are used in the manner set out below.

Use of Contributions 8(1)

Each Member shall contribute by way of Contributions to the Mutual, the funds required to meet:

- (a) the claims and other expenses or outgoings (whether incurred, accrued or anticipated) which at the discretion of the Board properly fall upon the Mutual in respect of a Protection Year;
- (b) such costs or expenses as the Board thinks fit which are incurred by the Mutual in entering into or arranging insurance contracts or reinsurance contracts in respect of the Protections provided to Members under these Rules and any Certificate of Entry issued under Rule 6(2) and/or insurance of the Mutual occurring in respect of any Protection Year; and
- (c) such transfers to reserves, provisions or escrow accounts as the Board may deem it expedient to make, including transfers to reserves and provisions in respect of any deficiency which has occurred or which may be thought likely to occur in respect of any Protection Year.

Source 8(2)

Such Contributions shall be levied by means of Contributions and Supplementary Contributions as set out in Rule 9.

Rule 9 Contributions

The Board decides on the amount of the Contributions.

Contributions 9(1)

The Member's Certificate of Entry will set out the Contribution for the Protection which the Board has decided. The Contribution may be altered in accordance with the provisions of Rule 6 and Rule 7.

Supplementary Contributions 9(2)

The Board may at any time or times during or after the end of each Protection Year (but not after a Protection Year has been closed) make a call on Members for a Supplementary Contribution (the "Supplementary Contributions"). Any call for Supplementary Contribution to be paid by a Member for any Protection Year will be calculated at the discretion of the Mutual. All Supplementary Contributions will be calculated on a pro rata basis based on the Contributions paid for a Protection by the Member (less any return of Contributions) in the relevant Protection Year. From 1 November 2006 a call on



Members for a Supplementary Contribution shall be capped at 50% of the Contribution paid by the Member in the relevant Protection Year.

Rule 10 Sums Due to the Mutual

Terms and conditions applicable to making and not making Contributions.

Time of Payment 10(1)

Contributions or Supplementary Contributions may be paid in such installments and on such dates as the Board may specify.

Notification 10(2)

As soon as reasonably practicable after the rate of any Contribution and Supplementary Contribution has been fixed, the Mutual shall notify each Member or Member's Representative of:

- (a) the rate of the Contribution or Supplementary Contribution;
- (b) the date on which the Contribution or Supplementary Contribution concerned is to be paid by installments, of the amounts of such installments and the respective dates on which they are payable; and
- (c) the total amount payable by each Member.

Set Off 10(3)

A Member shall not be entitled to set off the whole or any part of any potential Protections from the Mutual against the Contributions or Supplementary Contributions or other due to the Mutual, nor shall a Member be entitled to withhold or delay payment of any such Contributions or sums.

Penalty for Late Payment 10(4)

Without prejudice to the rights and remedies of the Mutual under Rule 20, if any Contribution or installment or part of a Contribution or installment, or any payment due from a Member, is not paid when it is due, the Board may order the Member to pay interest on the amount not paid. Interest may be calculated at the rate decided by the Board and will be calculated from the date when the Member's payment was due. When calculating the interest payable by the Member the Board will apply the rate of interest imposed by the Mutual on its members for non-payment of monies due on its Member's accounts.

Effect of a Member's Non-payment 10(5)

If any Contribution or other payment due from a Member to the Mutual is not paid and if the Board decides that payment cannot be obtained, the sums required to make good any resulting shortfall or deficiency in the funds of the Mutual shall be deemed to be expenses of the Mutual for the purposes of applying Contributions under Rule 8.

Rule 11 Release

Terms and conditions of termination of Membership or part thereof.

Liability for Contribution 11(1)

If a Member's Certificate of Entry has expired and the Member no longer has any Protections the Member may request that the Mutual release the Member from liability for any Supplementary Contributions. The Mutual may grant the Member's request on the terms and conditions that the Board in its sole discretion deems appropriate.

No Right to Surplus 11(2)

- (a) If a Member is released from any further liability under Rule 11(1), the Member will have no further liability to contribute in any way to the Mutual nor shall the Member have any right to share in any return of Contributions under Rule 22(2) except in accordance with Rule 22(2).



- (b) Where a Member's Certificate of Entry has expired or the Member has otherwise ceased to be a Member of the Mutual, the Member foregoes any right to share in any subsequent return of Contributions under Rule 22(2) in respect of years subsequent to 31 October 2007 during which the Member was entered with the Mutual.
- (c) Where a Member rejoins the Mutual after a period of absence, no rights accrue to a share in any return of Contributions under Rule 22(2) in respect of years subsequent to 2006/7, during which the Member was previously entered with the Mutual prior to the date of rejoining.
- (d) The Board may, at its absolute discretion, elect to award a share in any return of Contributions under Rule 22(2) to a departed Member in respect of years during which the Member was entered with the Mutual.

Rule 12 Recovery of Contributions

Mutual may in its own name seek recovery of any monies payable by a Member.

All monies from time to time due and payable by a Member to the Mutual may be recovered by action commenced in the name of the Mutual.

PART III SCOPE OF ENTRY

Terms and conditions applicable to Entry and Membership.

Rule 13 Protection Offered

In accordance with these Rules, a Member may seek Protection from the Mutual in respect of any or all of the following risk categories:

A. PROPERTY

1. Material Loss or Damage
2. Consequential Loss
3. Research

B. LIABILITY

1. General and Products Liability
2. Professional Liability
3. Malpractice
4. Clinical Trials

C. CYBER

D. ENVIRONMENTAL LIABILITY

E. ACTIVE ASSAILANT

F. TERRORISM

1. Property Terrorism
2. Liability Terrorism

G. FINE ARTS



PART IV LIMITATIONS

Rule 14 Limits of Discretionary Protection

Protection can be limited.

The Protection which may be granted to a Member is limited to the amount stated in the Certificate of Entry issued for that Protection under Rule 6(2). The excess or deductible payable by the Member for a Protection will be the amount stated in any Certificate of Entry issued under Rule 6(3).

PART V CLAIMS FOR PROTECTION

Terms and conditions applicable to making a claim for Protection, payment of a claim for Protection and minimising claims for Protection.

Rule 15 Obligations of the Member in Respect of Claims for Protection

Claims for Protection 15(1)

A Member's right to have a claim for Protection considered is subject to the Member notifying the Mutual of any claim, or intention to claim, for Protection. The Member must give the Mutual prompt notice in writing of any claim by a third party relevant to the Protection (including the receipt of notice of intention to make a claim) and notify the Mutual of any losses or potential losses incurred or suffered relevant to the Protection, which may fall within the ambit of these Rules.

Circumstances 15(2)

Every Member is required to give prompt notice to the Mutual of any circumstances which may reasonably be expected to give rise to a claim for Protection under these Rules and shall furnish the Mutual as soon as reasonably practicable with all documents or information relevant thereto. The Mutual may reject any such notice if it appears that the circumstances notified by the Member may not reasonably be expected to give rise to a claim for Protection under these Rules.

Mitigation of Loss 15(3)

When circumstances arise which may give rise to a claim for Protection under these Rules, the Member must take reasonable steps, or procure its Affiliate to take such steps, at the time to avoid or reduce any loss, damage, liability, cost or expense which the Member may claim from the Mutual under these Rules. A Member is required to mitigate any actual or potential loss by taking any action that is reasonably requested of the Member by the Mutual.

Information 15(4)

Every Member must at all times promptly notify the Mutual of any information, documents or reports in the Member's, its Affiliate's or any of their representative's or agent's possession or knowledge relevant to any claim for Protection or circumstances referred to under Rule 15(1) and Rule 15(2) above. Further, the Member shall, whenever so requested, give to, or procure for, the Mutual or its representatives free access to such information, documents or reports with liberty to inspect and copy the same.

It is the obligation of the Member to ensure that the Mutual and its representatives are provided with access to all individuals and properties relevant to the events giving rise to the claim and to ensure that where required privacy consents are obtained from individuals whose assistance is required by the Mutual to investigate a claim.

The Mutual will provide the appropriate consent form required if a Member requests a copy.



Rule 16 Powers of the Mutual Relating to the Handling and Settlement of Claims for Protection

Terms and conditions for the claim management by the Mutual.

The Member must grant, or procure any others to grant, the Mutual right, if it so decides, to control or direct the conduct of any claim or legal or other proceedings relating to any matter which may result in loss, damage, liability, cost or expense in respect of which the Member may be granted Protection under these Rules and any Schedule of Protection issued under Rule 6(3). The Mutual may require the Member, or the Member to procure others, to settle, compromise or otherwise dispose of such claim or proceedings in such manner and upon such terms as the Mutual in its discretion sees fit.

Rule 17 Powers of the Board Relating to Recoveries from the Mutual

Terms and conditions concerning payment and non-payment of claims for Protection.

Meetings 17(1)

The Board will meet to consider claims for Protection as and when it thinks fit. The Board may at its discretion decide to authorise payment of claims for Protection considered by it in accordance with the Rules. The Board may from time to time authorise the Managers to effect payment of claims for Protection in the Managers' discretion without prior reference to the Board. In such circumstances, the decision of the Manager will be deemed to be the decision of the Board. No director of the Mutual shall sit on the Board while it is considering any claim for Protection in which that director is interested.

Claims 17(2)(A)

The Board may authorise a payment from the Mutual's funds to any Member or former Member as whole or part payment of a claim for Protection where the Protection is recorded on the Member's or former Member's Certificate of Entry. The Board may determine the extent or limit of any Protection and advise the Member or former Member in writing of its decision without having to provide any reason for its determination. In every case any claim for Protection may be granted or withheld by the Board in its absolute discretion.

Rejection of Claims for Protection 17(2)(B)

Without prejudice to any other provisions of these Rules, the Board may reject a claim for Protection or reduce the sum payable by the Mutual in respect of a claim for Protection if:

- (a) in the opinion of the Board the Member making the claim for Protection has not, or its Affiliate has not, taken the steps before, at the time at which, or after the Member or Affiliate had knowledge of the circumstances giving rise to the claim for Protection or to protect the Member's or Affiliate's interests as the Member or Affiliate should have done or as a Member or Affiliate would have done if it had not been a Member of the Mutual;
- (b) the claim has been settled, or any liability has been admitted, by or on behalf of the Member or Affiliate without the prior consent in writing of the Mutual and there has, in the opinion of the Board been prejudice to it by such action;
- (c) the Member or Affiliate has failed to comply with a recommendation or directive made at any time by the Mutual or the Managers to the Member, in connection with the handling or settlement of the claim or potential claim; or
- (d) the Member has failed to comply with any of the Member's obligations under Rules 6 and 15.

Interest 17(3)

In no case shall a Member be entitled to be paid interest on any claim against the Mutual.



PART VI CESSATION OF PROTECTION

In certain events Member's right to request protection comes to an end.

Rule 18 Cessation of Protection

A Member's right to have a claim for Protection considered and granted by the Mutual will cease if any of the following events occur:

- (a) If a Member fails to pay any sum of money demanded of the Member by the Mutual after the Mutual has served the Member with a notice requiring payment of the money by a specified date and the Member fails to pay in full the money on or before the date specified in such notice; or
- (b) If the Protection Year of the Member shall have ceased in accordance with Rule 7 (Protection Year); or
- (c) If any of the following events occurs:
 - (i) a resolution passed or an order made for the winding up of the Member or Affiliate other than for purposes of reorganisation;
 - (ii) the Member or Affiliate makes any composition or arrangement with the Member's creditors;
 - (iii) the appointment of a receiver, manager or administrator over the assets or undertaking of the Member or Affiliate;
 - (iv) the dissolution of the Member or Affiliate;
 - (v) the Protection Year when the incident giving rise the claim has been closed before any notification of the claim was made to the Mutual; or
 - (vi) the Member has had its membership terminated pursuant to Rule 6.

Rule 19 Effect of Cessation of Protection

When Member's right of Protection has come to end this has certain effects.

For Failure to Pay 19(1)

If the Member's right to have a claim for Protection considered has ceased by virtue of Rule 18(a), the Mutual shall not be liable to consider any claim for Protection under these Rules made by the Member irrespective of whether or not the notification under Rule 15 of the claim for Protection or circumstances giving rise to such claim for Protection was given before or after the cessation of Protection. The only exception will be when the notification under Rule 15 occurred during a Protection Year that had been closed at the time of the cessation of Protection.

For Any Other Reasons 19(2)

If the Member's right to have a claim for Protection considered has ceased for any other reason other than by virtue of Rule 18(a), the Board will continue to give consideration to all claims for Protection made by the Member under these Rules if the claim for Protection is made before the date on which the Protection ceases.

Rule 20 Contributions Due on Cessation of Protection

Member's obligation to make contributions when Member's right of Protection has come to end.



Contribution on Cessation 20(1)

Except in the case of a Member released under Rule 11 (Release), a Member whose Membership of the Mutual has ended for any reason will remain liable to pay to the Mutual all Contributions and Supplementary Contributions for the Protection Year in which the Protection ceases.

The Member will remain liable for Contributions and Supplementary Contributions for any previous Protection Years which have not been closed in accordance with Rule 22 (Closing of Protection Years) at the date the Protection ceases and which, under Rule 9 (Contributions), such Member would have been liable to pay had the Membership not ceased. **PROVIDED ALWAYS THAT** the Member shall be liable for Contributions for the Protection Year pro-rated only for the period beginning with the date of Membership and ending with the happening of the event that caused the cessation of Protection if:

- (a) such cessation arises by virtue of Rule 18(a), in which case the Member's liability to pay Contributions shall include the sum specified in the notice given under Rule 18(a); or
- (b) such cessation arises upon the happening of any of the events specified under Rule 18(b) or (c).

Set Off 20(2)

The set off of any specific sum due to the Mutual under these Rules must be specifically agreed in writing by the Mutual. Otherwise, no set off of any kind shall be allowed against any sum due under these Rules, including any set off which might have arisen by reason of bankruptcy or winding up of a Member.

Rule 21 Reinstatement of Protection

The Board may decide when Protections may apply to a Member after an event set out in Rule 18(a) has taken place.

PART VII THE FUNDS OF THE MUTUAL

Terms and conditions regarding the funds.

Rule 22 Closing of Protection Years

Closing 22(1)

The Board will, at such time as it may deem expedient after the end of a Protection Year, declare that the Protection Year shall be closed. When the Contributions and other receipts are in excess of the claims for Protection before the end of the Protection Year, the Board may apply these funds in the manner described below.

Disposal of Excess Funds 22(2)

If, prior to closing any Protection Year, it appears to the Board at any time that the Contributions and other receipts (including transfers from reserves and provisions) in respect of the Protection Year shall exceed the claims, expenses, losses and other outgoings (whether incurred or accrued); or

If a Member's right to claim for Protection has ceased by virtue of Rule 18(a), and, in the event that the Member offers unconditionally to pay to the Mutual all outstanding amounts together with interest due under Rule 10(4) (Penalty for Late Payment), the Board may in its absolute discretion reinstate the Member's Protections for such period or periods as the Board may determine or anticipate falling upon the Mutual for that year together with all transfers to reserves and provisions made out of the Contributions paid in respect of such Protection Year;



- (a) to establish reserves which in the opinion of the Board are prudent and adequate in the context of the business (actual or anticipated); and/or
- (b) by way of a return in whole or in part to the Members who paid such Contributions in proportion to their respective Contributions with a deduction for claims to be determined by the Board. No return shall be made in respect of a Member's Entry which has been subject to release under Rule 11 or where the Protection ceased by reason of the application of Rule 18(a).

When the Contributions and other receipts are in excess of or are falling short of the claims for Protection after the end of the Protection Year the Board may act as set out below.

Closed Protection Year 22(3)

If, in respect of any Closed Protection Year, it shall appear to the Board at any time that the claims, expenses, losses and other outgoings (whether incurred, accrued or anticipated) falling upon the Mutual for that Protection Year, together with all transfers to reserves and provisions, are not equal to the Contributions and other receipts (including transfers from reserves and provisions) in respect of that Protection Year, then:

- (a) any credit shall be transferred to the general reserve of the Mutual or may at the discretion of the Board be disposed of in whole or in part by way of a return in whole or in part to the Members who paid such Contributions in proportion to their respective Contributions with a deduction for claims to be determined by the Board. No return shall be made in respect of a Member's Entry which has been subject to release under Rule 11 or where the Protection ceased by reason of the application of Rule 18(a); and
- (b) any deficit shall be treated as an expense of the Mutual and may be made up either by a transfer from the general reserve of the Mutual or by Contributions under Rule 8 (Application of Contributions).

In making its decision in relation to any excess specific to a Closed Protection Year the Board will consider a range of matters including but not limited to the financial requirements of the AFS licence, the overall financial stability of the Mutual and will be mindful of the fact that all funds are assets of the Mutual.

Rule 23 Insurance

The Mutual has the power to make arrangements regarding insurances/reinsurances in the manner it deems fit.

Individual Members 23(1)

The Mutual may insure/reinsure the whole or any part of the risks arising in respect of Protections provided to individual Members or the Membership upon such terms and with such insurers/reinsurers as the Board thinks fit.

Rule 24 Reserves

Arrangements regarding funds to be made by the Board as it deems fit.

The Mutual may establish and maintain such reserve funds as the Board may think fit, whether by way of a general reserve or by way of separate reserves for such contingencies or purposes as the Board in its discretion thinks fit.

Rule 25 Investment

Terms and conditions for the investment of funds.

Investment Management 25(1)

The funds of the Mutual may be invested by the Board or Managers or by an investment manager appointed by the Board. The Board may from time to time and at any time lay down such guidelines for the investment of the funds of the Mutual as it shall think fit.

Investment Media 25(2)

Without limiting the Board's overriding discretion, such investments may be made by the purchase of such stocks, shares, bonds, debentures or other securities, currencies, commodities or other real or personal property, or by deposits in such accounts as the Board thinks fit, or by such other method, whether producing income or not, as the Board thinks fit.

Allocation of Protection Year Contributions 25(3)

The Contributions paid to the Mutual are assets of the Mutual and unless the Board otherwise decides, the contributions standing to the credit of all Protection Years, and any interest, reserves or accounts, shall be available to the Board in its absolute discretion to draw on as it sees fit for the purposes of achieving the objectives of the Mutual.

Gains and Losses 25(4)

For accounting purposes, any dividends, interest or accruals of interest and any other realised investment gains or losses, arising on Mutual's assets, shall be credited or debited, as the case may be, to the Protection Year in which such gains or losses arise.

- a) Any such gains may be used to meet:
 - (i) the claims, expenses, losses and other outgoings (whether incurred, accrued or anticipated) which in the opinion of the Board necessarily and properly fall on the Mutual in respect of the Protection Year;
 - (ii) such transfers to reserves or provisions as the Board may deem expedient to make, including transfers to reserves and provisions in respect of any deficiency which has occurred or which may be likely to occur in respect of any Closed Protection Year, as it thinks fit.
- b) Any such losses shall be treated as expenses of the Mutual and may be made up either by a transfer from the reserves of the Mutual or by Contribution under Rule 8 (Application of Contributions).

PART VIII GENERAL TERMS AND CONDITIONS

Rule 26 Delay and Waiver

The Mutual does not give up any of its rights, powers or interests whatsoever under these Rules unless expressly stated.

No Admission 26(1)

No act, omission, delay or conduct of the Mutual of any type and whenever it occurs, whether by or through its officers, servants, managers, agents or otherwise, will constitute any admission or promise that the Mutual will give up any of its rights under these Rules.

Waiver by Mutual 26(2)

Despite any neglect or non-compliance with, or breach of, any of these Rules by a Member, the Board may in its sole discretion waive any of the Mutual's rights arising from the Member's conduct and may pass and pay in full or in part any claim for Protection which it thinks fit. The Board shall nevertheless at all times and without notice be entitled to insist on the strict application of these Rules.



Rule 27 Assignment of Rights of Recourse

The assignment of any and all rights, powers, interests, obligations of whatsoever nature is only allowed with the consent of the Mutual.

Assignment 27(1)

No obligation of the Mutual, and no interest under these Rules or under any contract between the Mutual and any Member, may be novated or assigned without the prior written consent of the Mutual. The Mutual has the right in its discretion to give or refuse such consent without stating any reason or to give its consent on any such terms or conditions as it may think fit.

If a payment is made from the funds, all rights of recourse or powers and interest in relation to these payments is subrogated, assigned or otherwise transferred to the Mutual authorising the Mutual to use the Member's name subject to the terms and conditions below.

Rights of Recourse 27(2)

Whenever a payment has been authorised by the Board under these Rules, the Member agrees to, and shall procure its Affiliate to, assign or otherwise transfer any and all of its rights of recourse against third parties to the Mutual. The Member authorises the Mutual to, and shall procure its Affiliate to, use the Member's name in any proceedings relating to the payment.

PROVIDED ALWAYS THAT the Mutual shall not exercise any rights of subrogation against any employees of a Member or require the assignment or transfer of any rights which the Member may have against its employees or the Affiliate may have against its employees. This proviso will not apply in cases where there is an allegation of a dishonest, fraudulent, criminal or malicious act or omission by the employee. The term "employee" shall include ex-employees and any person acting or who has acted as an employee of, or consultant to, the Member or Affiliate without a contract of service or employment.

Rule 28 Delegation of Powers

The Mutual may delegate its powers.

By the Mutual 28(1)

Whenever any power, duty or discretion is stated in these Rules to be vested in the Mutual, such power, duty or discretion will be exercisable by the Board unless it has been delegated to any committee or sub-committee of the Board of Directors or to the Managers. If this occurs then the power, duty or discretion may be exercised by any person to whom it has been delegated.

The Manager may delegate its powers.

By the Managers 28(2)

Whenever any power, duty or discretion is conferred or imposed upon the Managers by virtue of these Rules, such power, duty, or discretion may, subject to any terms, conditions or restrictions contained in these Rules, be exercised by any one or more of the Managers or by any employee of the Managers to whom the same has been delegated.

Delegated powers are exercised on behalf of the Mutual.

On Behalf of the Mutual 28(3)

Whenever the Board, the Managers, or any other person to whom it has been delegated exercises any power, duty or discretion, such power, duty or discretion shall be exercised on behalf of the Mutual.

Rule 29 Claim Decisions

Any review of a claim decision shall be solely dealt with by the Board in its absolute discretion or as set out below.



Adjudication 29(1)

If any Member disagrees with a decision relating to any loss, claim or demand such disagreement shall, in the first instance, be referred to the Mutual's General Counsel.

Internal Review 29(2)

Subject to Rule 29(1), a disagreement between a Member and the Mutual may at the Member's discretion be referred to and adjudicated by the Board for a review of a claim decision.

This will take place even if the Board has already considered the matter before any such disagreement arose. An application to have the Board review a claim decision and adjudicate a matter must be in writing. The Board will deliver its decision in writing. The Board has absolute discretion in relation to any claim decision.

Sole Remedy 29(3)

No Member is entitled to maintain any action, suit or other legal proceedings against the Mutual unless in accordance with the procedures laid down in this Rule 29. In the case of a disagreement in relation to the outcome of any review of a claim decision which proceeds to legal proceedings, the Mutual's only obligation to a Member under these Rules will be to pay such sum as may be directed by an award or judgment.

Rule 30 Internal Complaint Process

A Member is entitled to lodge a complaint for non-claims related issues and seek assistance in resolving the complaint.

At first instance the Member should contact claims management at claims@unimutual.com.au or via telephone on 1800 286 704 to see if the matter can be resolved to the Member's satisfaction.

If the Member remains dissatisfied with the outcome the Member can ask for the complaint to be referred to the Complaints Manager for further review.

Rule 31 Notices

Terms and conditions regarding the giving and serving of notices.

To the Mutual 31(1)

A notice required under these Rules to be served on the Mutual may be served by sending it through the post in a pre-paid letter or by sending it by facsimile or email transmission addressed to the Mutual at the Mutual's registered office for the time being or by sending it by other electronic means.

To a Member 31(2)

A notice required or permitted under these Rules to be served on a Member or on a Member's Representative may be served by sending it through the post in a pre-paid letter or by sending it by facsimile or email transmission addressed to such Member or Member's Representative at the address appearing in the Certificate of Entry or failing that to the last address held in the register of Members.

Date of Service 31(3)

Any notice or other document if served by post shall be deemed to have been served on the second day following the day on which the letter containing the same was put in the post. In proving such service, it will be sufficient to prove that the letter containing the notice was properly addressed and put into the post in a pre-paid envelope. Any notice or other document served by facsimile transmission shall be deemed to have been served on the day it was dispatched. In proving such service, it shall be sufficient to prove that such facsimile or email transmission was duly dispatched.



Rule 32 Governing Law

Australian law is applicable to the Rules and the relationship between the Mutual and the Member.

The Rules and any other relationship between the Mutual and a Member shall be governed by and construed in accordance with, the laws of New South Wales, Australia.



Unimutual Limited

Product Disclosure Statement

PART 4 – Property Protection

This is Part 4 of the PDS dated 1 November 2023 issued by

Unimutual Limited
Phone: (02) 9169 6600
Email: service@unimutual.com.au
Website: www.unimutual.com
AFS Licence No: 241 142
ABN: 45 106 564 372



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INTRODUCTION

As a **Member** of the **Mutual** for the **Protection Period**, the **Member** is entitled to have claims for **Protection** considered by the Board. The Board will consider the **Member's** claims for **Protection** in accordance with the terms, conditions, definitions, exclusions and endorsements of these **Protections**. Please note that these **Protections** should be read in conjunction with the;

- **Certificate of Entry** and
- **Schedule** issued to the **Member** and
- the Constitution and Rules of the **Mutual**

The **Member** has the right to have a claim for **Protection** considered if the **Protected Property** described under Section 1 and Section 3 hereof, suffers **Damage** not otherwise excluded by these **Protections**, at any time during the **Protection Period**.

DEFINITIONS

Certain words have special defined meanings and those words appear in bold font. The following definitions shall apply for purposes of **Protection** under Section 1 Material Loss or Damage, Section 2, Consequential Loss, and Section 3 Research, and the application of **Limits**, **Sub-limits** and **Retentions** set out in the **Schedule**. Definitions contained herein do not represent writebacks or otherwise of any exclusion(s) listed within this **Protection**.

Accidental Damage

means **Damage** caused by any peril or circumstance not more specifically covered or excluded by these **Protections** other than: fire; lightning; thunderbolt; explosion; implosion; fusion; collapse; smoke and/or steam; earthquake, subterranean fire, volcanic eruption and/or tsunami; impact; aircraft and/or other aerial devices and/or articles dropped therefrom, sonic boom and/or space debris; impact by watercraft; Burglary, **Theft**; breakage of glass; loss of **Money**; the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of other malicious persons (including those engaged in **Theft** or attempted **Theft**) or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other **Natural Catastrophe**; fraudulent or dishonest acts; subsidence, earth movement or collapse resulting therefrom, or landslip; cyclone; water from or action by the sea; storm and/or tempest and/or rainwater and/or wind and/or hail, and/or **Flood**, and/or snow and/or ice and/or water or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or any other system at the premises or elsewhere or any other peril mentioned under the heading **Sub-Limits of Protection** in the **Schedule**.

Accidental Loss of Power

means the loss of power to all or part of the Member's Premises resulting in a loss of power to Controlled Environments.

Additional Green Costs

means the reasonable cost of:

- (a) hiring of professionals accredited pursuant to **Green Standards** to advise on and/or participate in the repair or replacement of the **Protected Property**;
- (b) registration and certification of the replaced or reinstated **Protected Property** in accordance with **Green Standards**;



- (c) disposal of **Debris** or anything that caused the **Damage** in accordance with **Green Standards**;
- (d) ventilating the replaced or reinstated **Protected Property** consistent with **Green Standards**.

Act of Terrorism

means and includes an act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisations(s) or government(s) de jure or de facto, and which:

- (a) involves violence against one or more persons; or
- (b) involves **Damage** to property; or
- (c) endangers life other than that of the person committing the action; or
- (d) creates a risk to health or safety of the public or a section of the public; or
- (e) is designed to interfere with or to disrupt an electronic system.

Affiliate

means

- (a) any college, hall of residence, union, club, society, association, foundation or institute incorporated or unincorporated, affiliated with, registered with or operating within the framework of a **Member** and formed by or with the knowledge and consent of a **Member** or **Affiliate** (including members of and office bearers of such clubs, associations and societies); and /or
- (b) any person or group of persons being members of or students of or employed by **Members** or their **Affiliates** or performing any function whatsoever in Australia, or elsewhere under the aegis of the **Member** or an **Affiliate**; and/or
- (c) any entity wholly or partly owned or controlled by a **Member** which has been accepted by the **Mutual** as an **Affiliate** at the request of the **Member** and specified as such in the **Certificate of Entry** or **Schedule**; and/or
- (d) any entity which a **Member**; or any entity specified in (a) or (c) above, has, under contract or otherwise, agreed to include in their **Protections** but only to the extent required by such contract or agreed to by the **Member** or entity specified in (a) or (c) above and which has been accepted by us.
- (e) Any past **Affiliate** whilst they were deemed an **Affiliate** of the **Member**

Alarm

means a monitored fully functioning back to base alarm which is subject to a current **Preventative Maintenance** schedule, which is operational and capable of detecting a change in the environment of **Controlled Environments** and detecting a loss of power to an electrical circuit.

Animals

means all types of animals including birds and fish.

Automatic Refilling Equipment

means automatic refilling equipment designed and utilised for the re-filling of cryogenic storage vessels (e.g. Dewars).

Backup Power Supply

means a functioning and serviced auxiliary power supply that is subject to a current **Preventative Maintenance** schedule, and which automatically provides emergency power to protected **Controlled Environments** at the **Member's Premises** following an interruption of the main power supply.

Boilers or Pressure Vessel

means any boiler (other than a boiler used for domestic purposes only), economisers or other pressure vessels, including their associated pipes, valves and other apparatus and in respect of which a certificate is required to be issued under the terms of any statute or regulation.

Breakdown

means sudden and unforeseen physical loss or **Damage** to any item of **Machinery** necessitating repair or replacement, including but not limited to:

- (a) any defect in casting, material, design, construction, erection or assembly or faults at workshop.
The existence of any such defect or fault shall not in itself constitute **Breakdown**, but where, after acceptance by the **Member** of the **Machinery** involved, such defects or faults shall cause the occurrence of sudden and unforeseen physical loss or **Damage** necessitating repair or replacement that sequence of events shall constitute **Breakdown** (it being agreed that redesign costs shall not be covered under this **Protection** unless the item of **Machinery** involved was designed specifically for the **Member**;
- (b) fortuitous working accident such as vibration, maladjustment, loosening of parts, molecular fatigue, centrifugal force, abnormal stress, defective or accidental lack of lubrication, water hammer or local over-heating, shortage of water in boilers, physical explosion or implosion, failure or faults in protection devices;
- (c) excessive or insufficient electrical pressure, failure of insulation, short circuit, open circuit, arcing or the effects of static electricity;
- (d) poor workmanship, incompetence, carelessness, lack of skill or negligent act of third parties or of employees of the **Member**;
- (e) obstruction or entry of a foreign body.

Burglary or Theft

Burglary or theft of **Protected Property** other than **Money** or any attempt thereat from any **Premises** owned and/or occupied by a **Member**:

- (a) with or without actual forcible and violent entry; or
- (b) by a person feloniously concealed on any **Premises**, or
- (c) consequent upon threat of violence or violent intimidation.

Business

means the business of the **Member** described in the **Schedule** including all incidental activities

Certificate of Entry

means the Certificate issued by the Mutual to each **Member** on admission each **Protection Period**.

Communicable Disease

means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- (a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

- (b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- (c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of **Protected Property**.

Constructive Total Loss

means that if any **Protected Property** or any part thereof is reasonably abandoned because:

- (a) its actual total loss seems unavoidable; or
 - (b) it could not be preserved from actual total loss without an expenditure which would exceed its repaired and/or recovered value,
- it shall be considered to be a total loss

Provided that:

- (i) the words 'actual total loss' for the purposes of this Definition shall mean loss, destruction or damage (and not merely physical loss, destruction or damage) of or to the **Protected Property** specified herein or any part thereof; and
- (ii) if the **Mutual** elects not to take possession of any **Protected Property** deemed to be a **Constructive Total Loss**, the **Member** shall retain legal responsibility for such property.

Consumables

means chemicals, containers and other products consumed during research that can be replaced in their original form.

Controlled Environment

means any enclosed area in which the environment (including but not limited to temperature, air pressure, air quality, humidity, lighting and water quality) is controlled for the purposes of facilitating **Research and/or Development** activities by using a combination of mechanisms or facilities, including but not limited to refrigerators, freezers, cool rooms, dewars, fish tanks, greenhouses, herbaria and sterilised housing.

Crops and Pastures

means **Crops** and **Pastures** as defined not in a **Controlled Environment** whether or not intended for **Research and/or Development**.

Crops

means plant or plant products that can be grown and harvested for profit or subsistence whether or not intended for **Research and/or Development**.

including but not limited to:

- Food Crops (fruit, vegetables, grains, corn, wheat, rice, barley)
- Feed crops (corn, barley, wheat oats)
- Fiber Crops (cotton, hemp)
- Oil Crops (canola, corn)
- Ornamental crops (dogwood, azalea)
- Industrial crops (rubber, tobacco)



Damage

means physical loss, damage or destruction (with **Damaged** having corresponding meaning) including **Spoilage**.

Debris

means

- (a) the residue of any **Damaged Member's Property** under this **Protection**; or
- (b) material deposited on the **Member's Premises** as a result of the operation of a protected peril, excluding any material which can cause **Pollution or Contamination** and which is deposited beyond the boundaries of the **Member's Premises**.

Earthquake

means earthquake, subterranean fire and/or volcanic eruption, including **Subsidence**, earth movement and **Landslip** as a result thereof.

Existing Structure (s)

means any building(s) or man-made structure(s) that physically existed on the site or location before the commencement of any construction, erection, alteration or addition at the site or location and/or noted on any build or architectural plans or drawings as an existing building(s) or man-made structure(s).

Explosion

The sudden and violent rending of the permanent structure of any vessel by force of internal pressure, or bodily displacement of any part of such structure together with forcible ejection of its contents.

Fire and Perils

Fire (including that caused by or arising from, spontaneous combustion and/or overheating and fermentation), lightning, impact by aircraft and/or aerial devices and/or articles dropped or falling therefrom, impact by space debris or sonic boom, impact by motor vehicles and mobile equipment (including cranes), water-borne craft or **Animals**, explosion, implosion, smoke and/or steam, tidal wave, storm, tempest, wind, hail, cyclone, hurricane, typhoon, tornado, rainwater, **Flood**, water and/or other liquids and/or substances discharged, overflowing and/or leaking from apparatus, appliances, pipes, tanks, sprinkler and/or other systems, or otherwise escaping from intended confines the acts of persons taking part in riots or civil commotion or of strikers or locked-out workers or of persons taking part in labour disturbances including malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration and whether or not any of the foregoing are the result of **Earthquake**, subterranean fire and/or volcanic eruption.

Flood

means:

- (a) the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:
 - 1. a lake, river, creek or another natural watercourse, whether or not it has been altered or modified;
 - 2. a reservoir;
 - 3. a canal; or
 - 4. a dam.



- (b) accumulation or run off of surface water from precipitation of any kind which shall inundate the Premises or otherwise cause Damage

Green Standards

means:

- (a) the Green Star rating system of the Green Building Council of Australia;
- (b) Energy Star® qualified requirements; or
- (c) other generally accepted site development, water savings, energy efficiency, materials selection and other environmental quality standards for the design and construction of **Protected Property**.

Indemnity Period

means the period beginning with the date of **Damage** and ending not later than the number of months specified in the **Member's Schedule** during which the **Business** shall be affected in consequence of the **Damage**.

Indemnity Value

means the cost necessary to replace, repair or rebuild the **Protected Property** to a condition substantially the same as, but not better or more extensive than, its condition at the time the **Damage** occurred taking into consideration its age, condition and remaining useful life.

Landscaping

means Garden plots, lawns, shrubs, trees or other growing plants not intended for commercial purposes or for **Research and/or Development**, including landscaping, rockwork, paving and ornamentation pertaining thereto.

Limit of Protection or Sub Limit of Protection

means the applicable **Limit of Protection** for any one loss or series of losses arising out of any one event or **Sub-Limit of Protection** set out in the **Schedule**. The **Limit of Protection and Sub-Limit of Protection** are in addition to and shall not be reduced by the amount of any **Retention**.

Machinery

means any apparatus whether or not functioning independently or as any component part of a collection of apparatus which generates, contains, controls, transmits, receives, transforms or utilises any form or source of energy or power, including steam boilers, steam pipes, steam turbines, steam engines and other pressure vessels.

Member

means the entity specified as the **Member** in the **Schedule**. Member shall include **Affiliate**.

Member's Representative

means a person nominated by a **Member** to exercise the privileges of membership on the **Member's** behalf.

Mitigated Controlled Environments

means **Controlled Environments** that are protected by an **Alarm**, supported by **Backup Power** which is subject to a **Preventative Maintenance** schedule. Otherwise mitigation can be achieved through a



variation to the above requirements that is assessed and approved by the **Mutual** prior to the occurrence of **Damage**.

Money

means current coin, bank notes, currency notes, cheques, postal orders, traveller's cheques, securities, negotiable instruments, money orders, unused postage and revenue stamps and including the value of stamps contained in franking machines, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, cash boxes, alarm bags or any other portable container used to convey money, all whilst contained in any building owned or occupied by or being used for the purposes of the **Member**, including in transit anywhere external to any building and between **Premises** of the **Member** or between **Premises** of the **Member** and the **Premises** of others, including whilst in the personal custody of the **Member** or of any person authorised by the **Member** or whilst contained in the private residences of any such persons or whilst in any night-safe of any bank or financial institution.

Mutual

means Unimutual Limited.

Natural Catastrophe

means an unexpected large scale extreme weather or environmental event.

Non-Mitigated Controlled Environments

means **Controlled Environments** that are not defined and classified as **Mitigated Controlled Environments**.

Non-University Member

means any member of the **Mutual** that is not an accredited University.

Pastures

means an area of land covered with grass or other plants used for or that is suitable for feeding or grazing animals including but not limited to:

- permanent pasture - pastureland that is a result of nature growth
- rough pasture - a type of poor grazing land that is not cultivated or fertilized rich pasture

Personal Property of Officers, Employees and Visitors

means the clothing and personal property (including that used for the **Member's** business) of such persons (excluding money, bank and credit cards) including that of honorary employees, visiting academics, honorary academics or Senate or Council members while such property is on the campus of the **Member** and, in respect of books, electronic equipment or other personal property of any such person to be used or having been used in the business of the **Member**, whilst in transit between campuses of the **Member**, and whilst in transit between the residence of such person and the campus of the **Member**, and whilst in transit in return to such person's residence, but excluding such property which is subject to insurance arranged by or on behalf of such persons.

Personal Property of Students

means the clothing and personal property of Students (excluding money, bank and credit cards) whilst only in a building used or occupied by the **Member** and limited to the risks of **Fire and Perils** but excluding such property which is subject to insurance arranged by or on behalf of such persons.

Pollution or Contamination

means the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon any property, land, atmosphere or any watercourse or body of water (including groundwater).

Premises

means any campus or other location where the **Member** conducts business or undertakes **Research and/or Development**.

Preventative Maintenance

means the routine service and maintenance of equipment by an appropriate service provider at intervals recommended by the manufacturer.

Property in Transit:

means

- (a) **Protected Property** in transit by land, sea or air, from the time **Protected Property** is first moved within any **Premises** in the Commonwealth of Australia where such property is located for purposes of loading and shall continue for the period whilst in transit to any port or destination within the Commonwealth of Australia, and until such property has been delivered and unloaded at its final destination. Final destination for these purposes shall mean the appointed Premises or point of delivery as set out in the contract of affreightment, or if there is no written contract, the destination as stipulated by the consignor; and/or
- (b) **Protected Property** in transit by land, sea or air, from the time such property is first moved within any **Premises** of a continent (outside of the Commonwealth of Australia) where such property is located for purposes of loading, and shall continue for the period whilst in transit to any port or destination within the that other continent (excluding transit between continents) and until such property has been delivered and unloaded at its final destination. Final destination for these purposes shall mean the appointed Premises or point of delivery as set out in the contract of affreightment, or if there is no written contract, the destination as stipulated by the consignor; and/or
- (c) **Protected Property** anywhere external to the **Member's Premises** in transit by land or air, but only whilst such property remains in the personal custody of any person authorised by the **Member**, i.e. such property accompanies the person at all times and if the person is travelling by vehicle the property shall not be left unattended in the vehicle unless the vehicle is securely locked. (This definition is subject to and to be read in conjunction with Memorandum 1.4.14 of Section 1.

"**Property in Transit**" shall include **Damage** caused by or resulting from:

- (i) unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts.
- (ii) improper parties having gained possession of property through fraud or deceit.

The **Member** has permission, without prejudicing this **Protection**, to accept:

- (a) ordinary bills of lading used by carriers;
- (b) released bills of lading;
- (c) undervalued bills of lading; and
- (d) shipping or messenger receipts.



Protected Property

Means all real and personal tangible property of every kind and description (including electronically recorded information and **Money**) belonging to the **Member** or for which the **Member** is legally responsible or has assumed responsibility to provide coverage for, prior to the occurrence of **Damage** (including **Breakdown**) including all such property in which the **Member** may acquire an interest during the **Protection Period**, but provided any such property is not excluded property within the terms of this **Protection** and provided further that such class of property is included under the **Member's** declaration of property.

Protection(s)

means the discretionary membership benefits given to a **Member** by the **Mutual** as described in this document.

Protection Period

means the period shown in the **Schedule** and any subsequent period for which the **Mutual** has agreed to renew or extend these **Protections**.

Research and/or Development

means the work of undertaking research including projects:

- (a) being carried out as part of a Co-operative Research Centre undertaking (provided the project itself is not insured by the Co-operative Research Centre), or
- (b) involving teaching, research or development where the same is dependent upon the continued life, existence or wellbeing of the **Research Specimens** and/or **Crops and Pastures**.

The inclusion of the expression "Co-operative Research Centre" in this definition does not imply the provision of **Protection** to any partner, joint venturer or collaborator working together with any Member for the purposes of Research and/or Development and no such protection is provided.

Research Materials

means raw materials and/or materials in development and/or a combination of materials and/or **Consumables** stored in **Controlled Environments** and forming part of or intended for research.

Research Specimens

means all creatures, cultures, microorganisms and plants, or parts thereof, stored in **Controlled Environments** and forming part of, or intended for research.

Residual Value

means the amount which the lessee has agreed would be payable to acquire any leased property when the lease comes to an end.

Retention

means the amount that the **Member** must contribute to the settlement of each successful claim for **Protection**. The **Retention** amount is set out in the **Schedule**. If more than one **Retention** under this **Protection** is relevant to a claim for **Protection** only the highest **Retention** shall be applied to the successful claim for **Protection**.



Schedule

means the latest Schedule of **Protections** issued by the **Mutual** to the **Member**.

Spoilage

means (Notwithstanding Risk Exclusions, 4.2.2.1 and 4.2.2.2 in these **Protections**), the loss of or **Damage to Protected Property**, stored or normally stored in a **Controlled Environment** by a variation in the environment caused by **Accidental Loss of Power**, **Breakdown**, failure of **Automatic Refilling System** or **Accidental Damage**

Standing Timber

means any natural growth of trees or uncleared woodland or a plantation of trees which are or will be utilised for harvesting of timber for commercial purposes.

Subsidence or/Landslip Damage not occasioned by earthquake, volcanic eruption

means subsidence (other than erosion or normal settling or shrinking) or landslip arising from any cause other than that occasioned by **Earthquake** or volcanic eruption.

Theft in Open Air

means theft of property (other than **Money**) that is not housed within any enclosed building structure, by any person or persons.

University Member

means any member of the **Mutual** that is an accredited University.

Valuable Papers and Records

includes, without limiting the generality of the expression, collections and individual books or papers of historical or heritage value and records and parchments of special value, all of which are catalogued in the **Member's** records and do not form part of any library inventory.

Works of Art

includes, without limiting the generality of the expression, a single or collection of paintings, curios, sculptures, antiques and fine arts, including articles or sets of silver or gold or other precious metal, all of which have special value and are catalogued in the **Member's** records.

SECTION 1 - MATERIAL LOSS OR DAMAGE

1.1 Risks Protected

Subject always to all the terms, conditions and exclusions of these **Protections** including the **Limits** and **Sub-Limits of Protection** as set out in the **Schedule**, the **Mutual** may provide protection for the **Member** for **Damage** caused by or arising from any risk or peril happening during the **Protection Period** which is not otherwise excluded in these **Protections**.

1.2 The Protected Property

Subject to all the Terms, Conditions and Exclusions of these **Protections**, all real and personal tangible property of every kind and description (including electronically recorded information and **Money**) and all such property belonging to the **Member** or for which the **Member** is legally responsible or has assumed responsibility to provide **Protection** prior to the occurrence of **Damage**, or **Breakdown**, including all such property in which the **Member** may acquire an interest during the **Protection Period**, but provided any such property is not excluded property within the terms of these **Protections** and provided further that such class of property is included under the **Member's** declaration of property as required under Clause 1.4.1 herein.

The **Mutual** may also pay the following additional costs that are reasonably incurred if **Damage** to **Protected Property** occurs in circumstances giving rise to **Protection** under this Section 1, subject to the **Limit of Protection** specified in the **Schedule** not being exceeded.

- 1.2.1. architects', surveyors', consulting engineers', legal and other fees and clerks of works' salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in reinstatement consequent upon **Damage** to the **Protected Property** but not such costs, fees and salaries for preparing any claim hereunder.
- 1.2.2. any sums payable to any Government, Local Government or other Statutory Authority, where payment of such sum is a condition precedent to the obtaining of consent to reinstate any building(s) protected hereunder, provided that the **Mutual** shall not reimburse the payment of fines and/or penalties imposed upon the **Member** by any such Authority.
- 1.2.3. costs and expenses necessarily and reasonably incurred for the purpose of extinguishing fire at or within a 100 metre radius of the **Protected Property** or threatening to involve any such property, including fire brigade charges for attending whether for extinguishment, security, chemical emergency or ensuring fire does not re-ignite and including **Damage** to gain access and the cost of replenishment of firefighting appliances and charges incurred for the purpose of shutting off the supply of water or other substance following accidental discharge from any fire protective equipment or otherwise escaping from intended confines or costs and expenses necessarily and reasonably incurred for the purpose of preventing or diminishing imminent **Damage** to the **Protected Property** by any other peril covered by this Section 1 of these **Protections**.
- 1.2.4. costs and expenses necessarily and reasonably incurred for the temporary protection and safety of the **Protected Property**, pending repair or replacement consequent upon **Damage**.
- 1.2.5. costs and expenses necessarily incurred in reinstating, replacing, reproducing, or restoring documents, manuscripts, securities, deeds, plans, business books and other records of every description, including information contained therein or thereon in any form whatsoever, including but not limited to, type, print, electronic or hand-written forms consequent upon **Damage** to such property caused by any risk hereby protected, but not for the value to the **Member** of the said information.
- 1.2.6. costs and expenses necessarily and reasonably incurred in respect of:

- 1.2.6.1. replacing locks and/or keys and/or combinations following **Burglary or Theft** or any attempt thereat and the keys and/or electronic access cards and/or combinations are stolen or if there are reasonable grounds to believe the keys and/or combinations may have been duplicated.
 - 1.2.6.2. replacing locks and/or keys and/or combinations following **Damage** of keys and/or electronic access cards and/or combinations or if there are reasonable grounds to believe the keys and/or combinations may have been duplicated.
 - 1.2.6.3. opening safes and/or strong-rooms as a result of a **Burglary or Theft** or **Damage** of keys and/or combinations.
 - 1.2.7. costs and expenses necessarily and reasonably incurred in respect of:
 - 1.2.7.1. the removal, storage and/or disposal of Debris (or of anything which caused the Damage) and the carrying out of decontamination, demolition, dismantling, shoring up, propping, underpinning or other temporary repairs consequent upon Damage to the Protected Property and occasioned by a risk protected against;
 - 1.2.7.2. the Member's legal liability for the removal, cleaning up, storage and/or disposal of Debris, in relation to Premises, roadways, services, railways or waterways of others arising from a risk hereby protected, provided such liability was not assumed by the Member under agreement voluntarily entered into unless liability would have attached in the absence of such agreement; and
 - 1.2.7.3. the demolition and removal of any property belonging to the Member which is no longer useful for the purpose it was intended, provided such demolition and removal is necessary for the purpose of the reinstatement or replacement of the Protected Property and is consequent upon Damage to any such property by a risk hereby protected.
- Provided that the **Protection** in respect of clause 1.2.7.2 does not extend to any liability for damages that the **Member** may incur as a consequence of **Pollution or Contamination Damage**.
- 1.2.8. **Damage to Personal Property of Officers, Employees, and Visitors or Personal Property of Students** not otherwise insured.
- 1.2.9. costs and expenses necessarily incurred by the **Member** in taking inventory (including unpacking, repacking and restacking) to establish the value of **Damage** to the Protected Property by any risk protected against.
- 1.2.10. costs and expenses necessarily incurred in clearing and/or repairing drains, gutters, sewers and the like at the **Member's Premises**, consequent upon **Damage** to the **Protected Property**.
- 1.2.11. the reasonable costs and expenses incurred by the **Member** for express carriage rates and extra payments for overtime, night, Sunday or holiday work incurred in connection with the repair or reinstatement of the **Damage**.
- 1.2.12. representation at any Statutory Inquiry conducted following **Damage to Protected Property**. The term 'Statutory Inquiry' shall mean any judicial, coronial or other form of inquiry or hearing established by or at the direction of any government, semi-government, local or planning authority as a direct result of **Damage to Protected Property**.
- 1.2.13. switching off and re-setting alarms following **Damage**.
- 1.2.14. locating and exposing the source of gas, water or other liquid, escaping, discharging, leaking or overflowing from fixed systems including tanks, pipes and other fixed apparatus and preventing

imminent **Damage** or diminishing **Damage** to **Protected Property** including the costs and expenses of making good or reinstating **Damage** to other property necessarily incurred in locating the source of the problem.

the **Mutual** may pay the cost of repairing or reinstating the fixed system, tanks or other apparatus but not the cost of repairing or reinstating any part found to have been installed incorrectly or which has failed due to age, gradual deterioration and corrosion or was unfit for its intended purpose.

- 1.2.15. the clearance of blocked pipes, drains, gutters, sewers, filters, pumping equipment and the like (including exploratory costs) resulting from **Damage** covered by these Protections to **Protected Property** at the Premises.
- 1.2.16. the demolition of or dismantling, removal or reinstatement of undamaged property belonging to the **Member**, provided such demolition of or dismantling, removal and reinstatement is necessary for the purpose of the reinstatement or replacement of **Protected Property** following the **Damage**.
- 1.2.17. a reward offer to be paid by the **Mutual** up to \$10,000 to protect or recover **Protected Property** or to locate offenders. Provided that:
 - 1.2.17.1. the terms and the amount of the reward are agreed by the **Mutual** and approved by the relevant authority before being offered; and
 - 1.2.17.2. the amount of the payment does not exceed the value of the property lost, destroyed or **Damaged**.
- Any offer by the **Mutual** to pay a reward does not in any way limit the amount of any reward the **Member** may wish to offer for its own account.
- 1.2.18. liability under any Federal or State award or determination for **Damage** to employees' clothing and/or tools.
- 1.2.19. the payment of **Additional Green Costs** applicable only to buildings and other property covered under these Protections which have a Certified Green Star Performance rating under the Green Star systems of the Green Building Council of Australia or equivalent Energy Star qualified requirements.

For the purposes of this provision only:

- A Sub-Clauses 1.4.5.1 and 1.4.5.2 of Clause 1.4 (Reinstatement and Replacement) are amended to read as follows:

- 1.4.5.1 Where property is lost or destroyed:

In the case of a building, the rebuilding thereof; or in the case of property other than a building, the replacement thereof by similar property: in either case, in a condition equal to, but not better or more extensive than, its condition when new or last renovated, including restoration of the Green Star certification and performance rating applicable immediately prior to the date of the **Damage**.

- 1.4.5.2 Where property is **Damaged**:

The repair thereof including the associated costs of stripping, dismantling or demolition to facilitate work, and the restoration of the **Damaged** portion of the property to a condition substantially the same as, but not better or more extensive than, its condition when new or last renovated, including restoration of the Green Star certification and performance rating applicable immediately prior to the date of the **Damage**.

B. Clause 1.4.6. (Extra Cost of Reinstatement) is amended to read as follows:

These **Protections** extend to cover the extra costs of reinstatement (including demolition, dismantling or altering of property) incurred to meet **Green Standards** at the date of the **Damage** that are additional to those already certified and agreed previously for the Property Protected and necessary to maintain continuity of the **Green Standards** certification of the **Property Protected**.

However, the **Mutual** will not pay fees, costs and expenses associated with complying with additional **Green Standards** which the **Member** was responsible to carry out prior to the occurrence of the **Damage**.

Provided that the insurance under this section does not extend to any cost, expense or other sum directly or indirectly arising out of, or in any way attributable or related to, connected with or occurring concurrently or in any sequence with pollution, including any obligation, legal liability, request, demand, order, or statutory or regulatory requirement to test for, monitor, clean up, remove, dispose of, contain, treat, neutralise, protect against or in any other way respond to the actual, alleged or threatened presence of pollution of any kind.

1.3 Calculation of Protection

For the purpose of ascertaining the classification under which any **Protected Property** is protected, the **Mutual** agrees to accept the designation applied to such property by the **Member** in its records, provided that such property is not specifically excluded by these **Protections**.

The Calculation of Protection by property classification is set out below subject to the application of Memorandum to Section 1 'Full Value Protection Conditions' and the **Limit of Protection** and the **Sub-Limits of Protection** specified in the **Schedule**:

- 1.3.1 On buildings, machinery, plant and other property, (other than that designated below in clauses 1.3.2 to 1.3.16 the cost of reinstatement, replacement or repair in accordance with Section 1.4, Memoranda to Section 1, sub-clauses 1.4.5 and 1.4.6

Provided that if the **Member** does not claim for the cost of reinstatement, replacement or repair in accordance with Memorandum 1.4.1.5, the **Mutual** may pay the **Indemnity Value**.

- 1.3.2 On raw materials, supplies and other merchandise not manufactured by the **Member**, the actual replacement cost including replacement cost of labels, containers or wrappings at the time and place of the replacement or, if such property is not replaced, the **Indemnity Value** thereof.

Where owing to restrictions, or where the raw materials, supplies and other merchandise are not available, it is necessary for the **Member** to purchase alternative kinds of raw materials, supplies and merchandise from either a local or overseas source, the amount protected will be the price paid for such alternative raw materials, supplies and/or merchandise including the replacement cost of labels, containers or wrappings.

- 1.3.3 On material in process of manufacture, the replacement value of the raw materials and the value of labour and other overhead charges expended thereon at the time and the place of **Damage**.

Where owing to restrictions, or where the raw materials are not available, it is necessary for the **Member** to purchase alternative kinds of raw materials from either a local or overseas source, the amount protected will be the price paid for such alternative raw materials.

- 1.3.4 On finished goods (including labels, containers or wrappings) the amount protected will be the normal cash selling price at the place where the loss occurred, less any discounts or rebates that would have affected the selling price had no loss occurred.

- 1.3.5 In respect of goods sold by the **Member** but not delivered for which the **Member** is responsible, and with regard to which, under the conditions of sale, the sale contract is, by reason of the **Damage**, either wholly or in part to be cancelled and the **Damage** is caused by a risk hereby protected, any payment by the **Mutual** shall be based on the contract price.
- 1.3.6 On computer system records, including data, programs, software, documents, manuscripts, deeds, specifications, plans, drawings, designs, business books and other records of every description, the cost of reinstating, replacing, reproducing or restoring same, including information contained therein or thereon but excluding the value to the **Member** of the said information; or, if such is not required, the replacement cost of materials such as blank stationery at the time and place of **Damage**.
- 1.3.7 On patterns, models, moulds, dies or casts, the cost of repair or replacement (if actually replaced) or, otherwise, the depreciated value to the **Member** of such property at the time and place of the **Damage**, but not more than the **Indemnity Value**.
- 1.3.8 On glass:
- The cost incurred in repairing or replacing the broken glass in accordance with the current Australian Standard or Code AS 1288-2006 including the cost of:
- 1.3.8.1. temporary shuttering and/or hiring of security service pending replacement of broken glass; and
 - 1.3.8.2. removing and re-fixing of window and show-case frames, locks, fittings, shop front tiling and replacing burglar alarm tapes, protective film and heat reflecting material or other process on glass;
 - 1.3.8.3. replacing signwriting or ornamentation on glass.
- 1.3.9 On **Personal Property of Officers, Employees, and Visitors** or **Personal Property of Students**, not otherwise insured the actual cost of replacement (if actually replaced) or repair at the time and place of repair, or otherwise the indemnity value.
- For personal effects forming part of a pair or set, unless every component of the pair or set is **Damaged**, the Calculation of Protection shall be the difference between the market or replacement value of the pair or set (whichever is greater) before the **Damage** and the market or replacement value of the pair or set (whichever is greater) after the **Damage**. Salvage shall remain the property of the Officers, Employees, Visitors or Students.
- 1.3.10 On empty **Premises** awaiting demolition, the salvage value of the building materials and/or landlord's fixtures and fittings, net of the actual demolition costs; provided that if the actual demolition costs are increased in consequence of the **Damage**, the **Mutual** may also pay the **Member** the difference in demolition costs.
- 1.3.11 On **Works of Art** and **Valuable Papers and Records** the cost of restoring and repairing to a condition substantially the same as, but not better or more extensive than, its condition immediately prior to **Damage** (taking into consideration age and condition). In addition, the **Mutual** may pay the amount by which the **Works of Art**, or **Valuable Papers and Records** have reduced in value consequent upon being restored and repaired. When restoration and repair is not possible, the **Mutual** may pay the replacement value of the **Works of Art** or **Valuable Papers and Records** which will be the market value or the declared value whichever is the greater, subject to a revaluation of the **Works of Art** or **Valuable Papers and Records** every four years and subject to the **Sub-Limit** in respect thereof, arising out of any one event, unless the specific value thereof has been declared to the **Mutual** prior to the **Damage** occurring.

Where such **Works of Art** form part of any pair, set or collection the replacement value shall be the cost of restoring or repairing to a condition substantially the same as before the **Damage** plus the reduction in market value of the particular pair, set or collection to which the **Protected Property** formed part immediately before the **Damage**. Salvage shall remain the property of the Member.

- 1.3.12 On **Landscaping**, the actual cost of work done to repair or replace the **Damage** including the cost of replanting or re-sowing.
- 1.3.13 On all other property, (other than buildings, their contents and other structures, machinery, plant, equipment, tools and the like) including growing crops, pastures, and farm animals, for commercial purposes, the value thereof on a commercial basis unless specific values have otherwise been declared and agreed prior to any **Damage** occurring.
- 1.3.14 On machinery, plant or equipment leased on a **Residual Value** basis which has been assessed as an actual, or **Constructive Total Loss**, the **Mutual** may pay:
 - 1.3.14.1. the amount for which the lessee is liable to the lessor, plus the current market value of the property before the **Damage** or the **Residual Value** whichever is the greater,

or at the option of the **Member**,
 - 1.3.14.2. the replacement value less the value of any salvage.
- 1.3.15 On securities (which shall mean certificates of stock, bonds, coupons and all other types of securities):
 - 1.3.15.1. All blockchain-based digital assets such as cryptocurrency(ies), cryptoassets, cryptographic tokens and non-fungible tokens are excluded from these Protection.
 - 1.3.15.2. if the securities can be replaced, the cost of replacement paid or payable by the **Member**, or
 - 1.3.15.3. if the securities cannot or are not to be replaced by the **Member**, the greater of:
 - (a) the price for which the **Member** purchased them; and
 - (b) the closing market value on the last business day prior to the date of discovery by the **Member** of the loss or destruction of the securities or, if the time of discovery by the **Member** is after the close of the market, their closing market value on the day of discovery by the **Member** of the loss or destruction of the securities;
 - 1.3.15.4. in the case of a loss of subscription, conversion or redemption privileges through the loss of any security:
 - (a) the value of such privileges immediately preceding the expiration thereof such valuation being in the currency in which the loss was sustained.
 - (b) losses sustained in currencies other than Australian dollars shall be settled by converting the amount of loss to Australian dollars at the market rate as set by the Reserve Bank of Australia at the time of settlement of the loss or such other rates as may be expressly agreed with the Member.
 - (c) If there is no market price or value on the relevant day stated herein, then the value shall be agreed between the Member and the Mutual, or in default thereof, the Member and the Mutual shall submit to mediation to resolve their differences.

1.4 Memoranda to Section 1

1.4.1 Full Value Protection Conditions

- 1.4.1.1. Each **Member** must declare the full value of property at each campus and any other location at the commencement of each **Protection Period**, calculated in accordance with Clause 1.3 Calculation of Protection. This memorandum 1.4.1.1 shall not apply if the **Member** has declared full value based on a formal on-site valuation prepared by a Certified Property Valuer Member of the Australian Valuers Institute which is no greater than three (3) years old at the commencement of the **Protection Period**. Due allowance to be made for yearly valuation movements provided by a Certified Property Valuer Member of the Australian Valuers Institute, during the period between on-site formal valuations, together with any capital additions since the most recent valuation.
- 1.4.1.2. Each **Member** must declare at the end of the **Protection Period** the full value of **Protected Property** as it may have been acquired during the **Protection Period** in accordance with Clause 1.3, but only if the value of all such acquisitions is 2% or greater for University Members and the higher of 2% or AUD1,000,000 for **non-University Members** unless that class of property has not previously been included in the Member's declaration under 1.4.1.1 or the property is located outside of Australia whichever is the case, in which event all amounts shall be declared.

1.4.2 Burglary or Theft Sub-Limit

Where a **Sub-limit of Protection** is shown in the **Members Schedule** for **Burglary or Theft**, such **Sub-Limit of Protection** shall not apply to subsequent **Damage** to **Protected Property** occasioned by a peril (not otherwise excluded).

1.4.3 Interests of Other Parties

This **Protection** extends to the interests of all parties specifically noted in the records of the Member who have acquired an interest in the **Protected Property** whether by way of loan, mortgage, lease, hire purchase or other agreement, as though they were a **Member** herein.

Where the interests of more than one party are protected by these **Protections**, any act or neglect of an individual party will not prejudice the rights of the remaining party/parties; provided the **Member** shall, immediately on becoming aware of any act or neglect whereby the chance of the **Protected Property** becoming **Damaged** has increased, give notice in writing to the **Mutual**.

1.4.4 Branded Goods

Any salvage of branded goods produced by or for the **Member** shall not be disposed of by sale without the consent of the **Member**. If such salvage is not disposed of by sale, then the **Damage** will be assessed at the value agreed between the **Member** and the **Mutual** after brands, labels or names have been removed by or on behalf of the **Member**.

1.4.5 Reinstatement or Replacement

This memorandum applies where the **Mutual** is providing **Protections** in respect of buildings, machinery plant and other property under Calculation of Protection Clause 1.3. In such case the Calculation of Protection shall be on the actual cost of reinstatement of the **Damaged** property subject to the following Provisions and subject also to the terms, conditions and **Limit of Protection** or **Sub-Limits of Protection** as specified in the **Schedule**.

For the purpose of cover under this Memorandum, 'reinstatement' shall mean:

- 1.4.5.1. Where the property is lost or destroyed, in the case of a building, the rebuilding thereof or in the case of property other than a building, the replacement thereof by similar property, in either case in a condition equal to, but no better or more extensive than its condition when new.
- 1.4.5.2. Where property is **Damaged**, the repair of the **Damage** and the restoration of the **Damaged** portion of the property to a condition substantially the same as, but not better or more extensive than its condition when new.

The cost of reinstatement shall also include the cost of recommissioning plant and systems.

Provisions Applicable to Sub-clause 1.4.5

- 1.4.5.3. the work of rebuilding, replacing, repairing or restoring as the case may be (which may be carried out upon any other site(s) and in a manner suitable to the requirements of the **Member**, but subject to the potential cost to the **Mutual** not being thereby increased) must be commenced and carried out within a reasonable time after Protection has been confirmed by the **Mutual**, failing which the **Mutual** shall not make any payment greater than the **Indemnity Value** of the **Damaged** property.
- 1.4.5.4. Provision 1.4.5.3 shall not apply to any delay in undertaking such work due to circumstances beyond the control of the **Member**, including but not limited to planning approval, statutory or authority inquiries, and the availability of labour and materials. Provided always that the Limits and Sub-Limits are not increased by any such delay.
- 1.4.5.5. where property to which this Memorandum applies is **Damaged** in part only, payment by the **Mutual** shall not exceed the sum representing the cost which the **Mutual** could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- 1.4.5.6. if the **Member** elects to reinstate or replace **Damaged Property Protected** with dissimilar property whether or not to be used for a similar purpose as the **Damaged Protected Property**, the **Mutual** may pay the lesser of:
 - (a) the cost of the dissimilar property, or
 - (b) an amount equal to the replacement cost which would have been payable if the **Damaged Protected Property** had been reinstated by similar property in a condition equal to, but not better or more extensive than, its condition when new.
- 1.4.5.7. the **Member** is not bound to reinstate any building deemed to be a total loss, but may, at its option, purchase an existing building or buildings to replace the **Damaged** building, limited to the cost that would have been incurred if the **Damaged** building had been reinstated in accordance with Clause 1.4.5.1 of the definition of 'reinstatement' including any Extra Cost of Reinstatement which may have been payable in respect of such reinstatement.
- 1.4.5.8. where any **Damaged Protected Property** is replaced by property that is better or more extensive than its condition when new, the **Mutual** may only pay to the **Member** the cost that would have been incurred if such property had been reinstated in accordance with the provisions of Clause 1.4.5.1 of the definition of 'reinstatement', including any amount payable under these **Protections** for Extra cost of Reinstatement associated with the reinstatement of the original structure. The **Member** shall bear the balance of the cost of such better or more extensive property.

- 1.4.5.9. in those cases where the architectural features and/or structural materials of any of the buildings forming part of the declared values possess an ornamental, antiquarian or historical character, are heritage listed or the original materials are not available and where the property or any part thereof is lost or **Damaged**, “reinstatement” shall mean the rebuilding or replacing or repairing or restoring to a reasonably equivalent appearance and capacity using original design and suitably equivalent materials.

1.4.6 Extra Cost of Reinstatement

This Memorandum is applicable to buildings, machinery, plant and all other property and contents under Clause 1.3.1

This Memorandum extends to include the extra cost of reinstatement, including demolition or dismantling of the property **Damaged**, necessarily incurred by the **Member** to comply with the requirements of any Act of Parliament or Regulation made there under or any By-Law, Ordinance or Regulation of any Municipal or other Statutory Authority.

Provided that:

- 1.4.6.1. extra costs shall not include the additional cost incurred in complying with any Act, Regulation, Ordinance, By-Law or requirement with which the **Member** has been duly required to comply prior to the happening of the **Damage**;
- 1.4.6.2. the work (which may be carried out wholly or partially upon another site if the aforesaid Act, Ordinance, By-Law or Regulation so necessitates) shall be commenced and carried out with reasonable despatch, failing which any amount payable hereunder shall be limited to the amount which would have been payable if this Memorandum had not been incorporated therein.
- 1.4.6.3. if the cost of reinstatement of **Damaged** property is less than fifty percent (50%) of that which would have been the cost of reinstatement if such property had been totally destroyed, (property in this sense shall mean the specific building or buildings and property contained therein that were **Damaged**), the amount recoverable hereunder shall be limited to:
- (a) the **Sub-Limit** stated in the **Schedule**, or the **Certificate of Entry** and without limiting in any way the scope of **Protection** provided hereunder,
 - (b) the amount available (additional to that in (i) above) under the **Sub-Limit** stated in the **Schedule** or the **Certificate of Entry** but only for the extra cost in relation to property not **Damaged** but affected by the application of the Act, Regulation, Ordinance, or By-Law in consequence of the **Damage**.

1.4.7 Floor Space Ratio Index (Plot Ratio)

In the event of any building(s) being **Damaged** so as to constitute total loss or **Constructive Total Loss** and, as a result of the exercise of Statutory powers and/or authority by any Government Departments, Local Government or any other Statutory Authorities, reinstatement of such building(s) is only permissible subject to a reduced floor space ratio index, the **Mutual** may pay, in addition to any amount payable on reinstatement of such building(s), the difference between:

- 1.4.7.1. the actual cost of reinstatement incurred in accordance with the reduced floor space ratio index; and
- 1.4.7.2. the cost of reinstatement which would have been incurred had a reduced floor space ratio index not been applicable.

In arriving at the amount payable under 1.4.7.1 and 1.4.7.2 above, any payments made by the **Mutual** shall include the extra cost of reinstatement, including demolition or dismantling of the **Member's Property**, necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made there under or any By-Law, Ordinance or Regulation of any Municipal or other Statutory Authority.

1.4.8 Acquired Companies

The **Protection** extends to include property belonging to companies and other organisations where over 50% of the voting stock is acquired by the **Member** or management responsibility is acquired or assumed by the **Member** during the **Protection Period** subject to:

- 1.4.8.1. the **Member** declaring to the **Mutual** details of such acquisition, as soon as it is practicable to do so;
- 1.4.8.2. the business of the new acquisition being of a similar nature to that of the Member, and
- 1.4.8.3. the Member paying such additional contribution as the Mutual requires.

1.4.9 Undamaged Portion of a Building

If any building is **Damaged** and due to the exercise of statutory powers or delegated legislation or authority by any Government department, local Government or other Statutory authority, reinstatement of such property is carried out upon another site, then the abandoned undamaged portion of such building including foundations and services shall be deemed to have been destroyed.

Provided that, if the presence of such abandoned undamaged portion of the building increases the sale value of the original site, the increase in sale value shall be regarded as salvage and the amount thereof shall be payable to the **Mutual** by the **Member** upon completion of any sale of the site or shall be deducted from the total amount otherwise payable by the **Mutual** under these **Protections**, whichever shall occur later.

Any differences between the parties about the amount of any increase in site value, shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties and in case the two registered valuers do not agree, the parties shall be required to submit to mediation to resolve their differences assisted by the services of a third valuer, appointed as mediator by the President of the Australian Property Institute.

1.4.10 Customs, Excise and all other Duties

The Member is protected for liability in respect of customs, excise and all other duties which may become payable in the event of Damage to the Protected Property.

1.4.11 Output Replacement

If the interest protected hereunder constitutes property which has a measurable function, capability or output and which is capable of replacement with a new item or items which perform a similar function, then such property shall be valued for replacement purposes as set out hereunder and restitution of any **Damage** in respect thereof shall be on the same basis:

- 1.4.11.1. If property **Damaged** is to be replaced by an item or items which have the same or a lesser total output, then the value thereof is the new installed cost of such replacement item or items as would give the same total function, capability or output as the property **Damaged**.

- 1.4.11.2. If property **Damaged** is to be replaced by an item or items which have a greater total function, capability or output and the replacement value is no greater than the value of the property **Damaged**, then no deduction shall be made from any claim for the improved output.
- 1.4.11.3. If property **Damaged** is to be replaced by an item or items which have a greater total function, capability or output and the replacement value is greater than the value of the property **Damaged**, then the value thereof is that proportion of the new installed cost of the replacement item or items as the output of the property **Damaged** bears to the output of the replacement item or items. Provided always, that the amount payable shall not be of lesser value than the new installed cost of such replacement item or items that would give the same total function, capability or output as the property being replaced. The difference between the value for replacement purposes as defined and the new installed cost of the replacement item or items shall be borne by the **Member**.

Provided that, in the event of partial loss or **Damage** resulting in property having to be repaired, the **Mutual** may limit what it pays to the cost of restoration of the **Damaged** property to a condition substantially the same as but not better or more extensive than its condition when new, and provided further that the sum which the **Mutual** pays shall not exceed the sum representing the maximum cost which the **Mutual** may have paid if such property had been wholly lost or destroyed.

1.4.12 Outside Premises Storage (Disclaimer)

Where the **Member** enters into a contract for storage for goods and/or merchandise and the terms of the storage contain a disclaimer clause, these **Protections** provided shall not be prejudiced by the **Member** agreeing to such terms.

1.4.13 Leased Building (Disclaimer)

Where the **Member** enters into a lease agreement for occupancy of any building or part of a building and the terms of such lease includes a disclaimer clause in favour of the Lessor, then these **Protections** provided shall not be prejudiced by the **Member** agreeing to such terms.

1.4.14 Property in Transit within Australia and/or within other countries

This Memorandum extends to include **Protection** for property in transit within Australia and/or within other countries.

This Memorandum shall not be limited by the scratching and marring provision in Section 4.2, Risk Exclusion 4.2.2.2

Protection provided under this Clause 1.4.14, however, shall not include any loss, **Damage** or expense caused by:

- 1.4.14.1. insufficiency or unsuitability of packing or preparation of the **Protected Property**, the subject of affreightment;
- 1.4.14.2. ordinary leakage, ordinary loss in weight or volume of the **Protected Property**;
- 1.4.14.3. unseaworthiness of vessel or craft, or unfitness of vessel or craft, conveyance, container or vehicle for the safe carriage of the **Protected Property** where the **Member** is privy to such unseaworthiness or unfitness, at the time the **Protected Property** is loaded therein; or
- 1.4.14.4. insolvency or financial default of the owners, managers, charterers or operators of the vessel or conveyance.

Transit of property by sea within the territorial waters of other countries where **Protected Property** is located shall separately be subject to the following clauses:

Protection shall extend to include:

- 1.4.14.5. liability for general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of Damage but subject otherwise to the terms and conditions of the Protection, and
- 1.4.14.6. such proportion of liability under the contract of affreightment “both to blame collision” clause in respect of a claim for Damage for which Protection is provided hereunder.
- 1.4.14.7. where consignments and/or packages of raw materials, supplies and/or merchandise are not opened for inspection on arrival at the Member’s store and/or Premises, any concealed Damage in transit occasioned by any cause (not herein excepted) which shall come to light when the consignments and/or packages are unpacked shall be Damage recoverable under this Protection.

Provided always that:

- (a) the Damage is discovered not later than three (3) months after receipt of the consignments and/or packages by the Member; and
- (b) consignments and/or packages bearing visible signs of Damage at the time of their arrival must be inspected as soon as practicable; and
- (c) an appropriate claim shall be made against the carriers and the Member shall forward copies of such claims and any replies received from carriers to the Mutual as soon as practicable, and

the Protection under this Memorandum shall not inure for the benefit of the carrier or other bailee for the carriage or storage of the Protected Property.

1.4.15 Loss of Land Value

- 1.4.15.1. In the event of the absolute refusal by a competent local or Government authority to allow the reconstruction of the **Premises** following **Damage**, the **Mutual** may pay by way of reimbursement, the difference between the Land Value before and after the **Damage**; or
- 1.4.15.2. In the event of a competent local or Government authority allowing partial reconstruction only of the **Premises** after **Damage**, the **Mutual** may pay, by way of reimbursement, the difference between the Land Value after such reconstruction and the Land Value before the **Damage**,

less any sum paid by way of compensation by such authority arising out of the action referred to in this Memorandum.

In this Memorandum “Land Value” means the sum certified by the Valuer General as being the value of the land after due allowance has been made for variations in or other circumstances affecting such value, either before or after the **Damage**, or which would have affected the value had the **Damage** not occurred, so that the figures thus adjusted shall represent as near as reasonably practicable the true Land Value pertaining both before and after the **Damage**.

SPECIAL CONDITIONS:

- (a) Payment shall be made following the ruling of the competent local or Government authority resulting in the loss of Land Value. Should payment have been made, however, and subsequently the ruling of the competent local or Government authority be changed prior to completion of the reconstruction resulting in an increase in the Land Value, that part of the reimbursement paid in excess of the revised Land Value shall be refunded to the **Mutual**.
- (b) All differences relating to the Land Value arising out of this Memorandum shall forthwith be referred to the decision of two Registered Valuers one each to be appointed by the **Member** and the **Mutual** and in case the two Registered Valuers do not agree, to a third Valuer appointed by the President of the Australian Institute of Valuers, as an expert whose decision shall be binding.

1.4.16 Alternative Payment - Obsolete Buildings and Machinery

Obsolete buildings and machinery are not protected for reinstatement and replacement value if such buildings and machinery are listed in the **Schedule** as being obsolete or the records of the **Member** list such buildings and machinery as being obsolete.

In the event of any **Damage** to such property the **Mutual** will pay the value thereof at the time of the happening of the **Damage**.

For the purpose of this Memorandum, Clause 1.4.5 of this Section shall be deemed to be inoperative.

1.4.17 Reinstatement of Damage by the Member.

In the event of the **Member** seeking reimbursement hereunder, the **Member** may, with the consent of the **Mutual**, reinstate **Damaged** property and the **Mutual** shall pay the cost of such reinstatement (including the value of labour and other overhead charges expended thereon, together with a reasonable margin for profit to be earned by the **Member**).

Provided always that the amount payable by the **Mutual** shall not exceed the amount which would otherwise have been payable hereunder had such reinstatement been carried out by outside Contractors.

1.4.18 Rent Payable

The **Protection** shall, notwithstanding any other term or condition to the contrary, extend to include rent which continues to be payable by the **Member** in respect of buildings protected hereunder (or any part thereof) which are rented to the **Member** which are destroyed or so **Damaged** as to become untenable.

1.4.19 Land and Water Contaminant Clean Up, Removal and Disposal

This **Protection** covers the reasonable and necessary cost for the cleanup, removal and disposal of the actual not suspected presence of **contaminant(s)** from unprotected property consisting of land, water or any other substance in or on land at the protected location if the release, discharge or dispersal of such **contaminant(s)** is a direct result of **Damage** to **Protected Property**.

This **Protection** does not cover the cost to cleanup, remove and dispose of contamination from such property:

- 1.4.19.1. at any location protected for **Personal Property** only.
- 1.4.19.2. at any **Protected Property** under Acquired Companies coverage provided by this **Protection**.



1.4.19.3. when the **Member** fails to give written notice of loss to the **Mutual** within 180 days after inception of the loss.

1.4.20 Decontamination Costs

If property protected is contaminated as a direct result of **Damage** and there is in force at the time of the loss any law or ordinance regulating **contamination** due to the actual not suspected presence of **contaminant(s)**, then this Section of this **Protection** covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated protected property in a manner to satisfy such law or ordinance. This Memorandum applies only to that part of property protected so contaminated due to the actual not suspected presence of **contaminant(s)** as a direct result of **Damage**.

The **Mutual** are not liable for the costs required for removing contaminated unprotected property or the **contaminant** therein or thereon, whether or not the **contamination** results from a protected loss.

1.4.21 Consequential Reduction in Value

This Section of the **Protection** covers the reduction in value of protected merchandise that is a part of pairs, sets, or components, directly resulting from **Damage** to other protected parts of pairs, sets or components of such merchandise. If settlement is based on a **Constructive Total Loss**, the **Member** will surrender the undamaged parts of such merchandise to the **Mutual**.

1.4.22 Hazardous Goods

The storage of hazardous goods usual to the **Member's** requirements is allowed, in quantity and manner as permitted by law, or Statutory Authority.



SECTION 2 - CONSEQUENTIAL LOSS

2.1 The Protection

In the event of any **Damage** occurring during the Protection Period to

- 2.1.1 the **Protected Property**, and/or
- 2.1.2 any building or other property or part thereof used by the **Member** (or for which the **Member** has contracted use) at the **Premises** for the purpose of the **Business** and/or
- 2.1.3 any property belonging to the **Member** or property for which the **Member** is responsible, while such property is at any storage premises within Australia or at any situation in Australia where the **Member** is undertaking work or has any process or work being carried out by others,

and the **Business** in consequence thereof is interrupted or interfered with, the **Mutual** may consider a claim by the **Member** for the amount of the loss and/or the expense resulting from such interruption or interference in accordance with the applicable Calculation of Protection Clause set out herein and subject to any **Limit** or **Sub-Limit** specified in the **Member's Schedule**.

Provided that the **Mutual** will not pay any sum for any loss under this Section unless **Damage** to the **Member's Property** is protected under Section 1, of these **Protections** and the **Mutual** has agreed to pay the amount of loss, (unless the loss under Section 1 is less than the **Retention**).

However, notwithstanding the provisions as aforesaid, if as a consequence of **Damage**:

- 2.1.4 to property that belongs to or is under the control of suppliers of land based Australian electric power, gas, telecommunication services, water or sewerage reticulation control systems (whether or not at any **Premises** of the **Member**);
- 2.1.5 to property within a radius of 5 kilometres of any **Premises** of the **Member** caused by a peril not otherwise excepted by these **Protections** which prevents or hinders the use of or access to those **Premises** and which results in cessation or diminution of trade, including any cessation or diminution of trade due to temporary falling away of potential customers;
- 2.1.6 caused by a peril herein protected against to any registered vehicles or trailers which are owned or operated by the **Member**, whilst within any **Premises** owned or occupied by the **Member**;
- 2.1.7 to the **Premises** or property of Suppliers or Contractors to or Customers of the **Member**, specified in the **Schedule** not otherwise excluded by these **Protections** which results in interruption or interference with their position as a supplier or customer of the **Member**;
- 2.1.8 to computer installations, including ancillary equipment and data processing media utilised for the **Member's Business**;
- 2.1.9 to documents and **Electronic Data** files belonging to or held in trust by the **Member** whilst physically in transit or whilst elsewhere at the premises of others;
- 2.1.10 to property in any commercial complex of which the **Premises** forms a part or in which the **Premises** are contained which prevents or hinders the use of or access to the **Premises** resulting in the cessation or diminution of **Business** activity;
- 2.1.11 caused by **Accidental Loss of Power** resulting in **Spoilage** to **Research Materials** and/or **Research Specimens** in **Controlled Environments**,

the **Business** is interrupted or interfered with, then any loss or expense incurred by the **Member** as a result thereof shall for the purpose of this Clause 2.1 be deemed to be loss resulting from interruption or interference with the business in consequence of **Damage** protected by Section 1.

Provided that in respect of:

- 2.1.12 Clause 2.1.4 (**Damage** to utilities), the **Mutual** shall not pay for loss which occurs within the first 72 hours of any interruption to or the interference with the **Business** in consequence of **Damage** to the property of such suppliers. Any other relevant **Retention** also applies to any loss arising under Clause 2.1.4), and
- 2.1.13 Clause 2.1.7 (Suppliers, Contactors or Customers), it is understood and agreed that a Natural Peril exclusion will apply to Suppliers or Contractors to or Customers of the **Member**

For the purposes of this sub-clause 2.1.13, a Natural Peril is defined as any weather or environmental event such as cyclone, typhoon, hurricane, tornado, flood, high water, storm depression, bush fire, wildfire, earthquake or other event categorised as a **Natural Catastrophe** by any local Government or Agency

2.2 Calculation of Protection

The calculation of **Protection** hereunder shall be in terms of any or several of the following items, subject always to the terms, conditions and limitations of amount as expressed in the **Schedule** and the amount that may be paid by the **Mutual** shall be calculated as follows:

2.2.1 Item 1: Loss of Revenue and/or Increase in Cost of Working

The amount payable under this Item shall be limited to:

2.2.1.1. In respect of reduction in **Revenue**:

The amount by which the **Revenue** during the **Indemnity Period** shall, in consequence of the **Damage**, fall short of the **Standard Revenue**; and

2.2.1.2. In respect of Increase in Cost of Working:

The expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Revenue** which, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the amount of the reduction in **Revenue** thereby avoided,

less any sum saved during the **Indemnity Period** in respect of such of the costs, charges and expenses of the **Business** payable out of **Revenue** as may cease or be reduced in consequence of the **Damage** and not exceeding the **Limit of Protection** stated in the Schedule.

2.2.2 Item 2: Loss of Government Revenue

The amount payable under this item shall be limited to:

the actual loss of Government revenue, during the **Indemnity Period**, either by

- 2.2.2.1. **Revenue** returned to the Government at its direction in respect of that already paid to the **Member** for students enrolled, but who, because of an interruption or interference covered under Section 2 of this **Protection** withdrew their enrolment, or by

- 2.2.2.2. a shortfall in the Revenue Anticipated because of reduction in student enrolments resulting from an interruption or interference covered under Section 2 of this **Protection**.

Revenue Anticipated for the purpose of this clause shall mean the sum produced by multiplying the anticipated student enrolments by the per capita value payable by the Government for an enrolled student.

Reduction in student re-enrolments shall mean the reduced number of students in any course, at the beginning of any semester and the basis of determination of such being by the comparing of the anticipated student enrolments (based on the trending of enrolment numbers in that course for that semester over the last three-year period and allowing for economic, employment and any other relevant factors) against the actual enrolments.

- 2.2.2.3. a shortfall in Government Revenue, during the **Indemnity Period**, other than from student enrolments, because of an interruption or interference covered under Section 2 of this **Protection**.

2.2.3 **Item 3: Additional Increased Cost of Working and Additional Expense**

The amount payable under this item shall be limited to:

- 2.2.3.1. the amount of expenditure (additional to the expenditure incurred for Increase in Cost of Working under Clause 2.2.1.2 **Item 1** hereof), reasonably incurred by the **Member** during the **Indemnity Period** in consequence of the **Damage** for the purpose of avoiding or diminishing the loss of **Revenue** and/or resuming and/or maintaining normal **Business** operations and/or activities but not exceeding the **Limit of Protection** as stated in the **Schedule**;
- 2.2.3.2. in respect of Additional Expense, the excess expenditure necessarily incurred, beginning with the interruption to or interference with the **Business** and ending when the **Business** is no longer affected in consequence of the **Damage** (but not exceeding the **Indemnity Period** for this **Item 3**) over and above the costs that would normally have been incurred to conduct the **Business** during the same period had **Damage** not occurred, (not exceeding the **Limit of Protection** stated in the **Schedule** in respect of this **Item 3**), which expenditure was necessary in order to resume or maintain the normal **Business** of the **Member** and shall include:
- (a) the expenses incurred in using outside property or facilities, including computer facilities, office facilities or the using of other property or facilities of other **Members**, the hiring or leasing of alternative accommodation, the hiring or obtaining, including the installation of other property for temporary use, or
 - (b) transport arrangements to or from outside **Premises** or facilities, provided that any salvage value of any such property remaining after re-occupation of the replacement or reinstatement of the **Damaged** buildings, or the repossession of other property reinstated or replaced, shall be taken into consideration in respect of any payment for any loss hereunder.

2.2.4 **Item 4: Termination of Employment Expenses**

The amount payable under this **Item 4** shall be limited to:

The cost, during the **Indemnity Period**, of any amounts necessarily granted to employees whose contract of service has been terminated as a direct result of the interruption to or interference with the business as a consequence of the **Damage**. Such amount shall be limited to:

- 2.2.4.1. Salaries and wages necessarily paid in lieu of notice under award or industrial agreement;
- 2.2.4.2. Termination Awards under agreement by which the employee is engaged;
- 2.2.4.3. Termination Awards which the **Member** under its code of employment would customarily pay to such class of employees.

Such amounts shall not include Long Service Leave, Holiday pay, Superannuation payments or Workers' Compensation benefits or awards.

In the payment of any loss hereunder, account shall be taken and due allowance made:

- (a) for the separate calculation of loss under 2.2.4.1, 2.2.4.2 and 2.2.4.3 above, and
- (b) for any saving made in costs and expenses including reduced salaries and wages as a consequence of the **Damage**.

It will be a condition of **Protection** under this item that the **Member** will do all that is necessary:

- (a) to ensure that student enrolments are maintained, notwithstanding the **Damage**,
- (b) to mitigate costs and expenses of every description current at the time of loss and which are avoidable or can be minimised as a result of the interruption to or interference with the **Business**. The **Member**, however, will maintain the sole right to continue the employment of, or to dismiss, any employee.

2.2.4.4. Unproductive Salaries and Wages

The salaries and wages of employees who could otherwise be stood down in consequence of **Damage** shall not be regarded as costs, charges and expenses which do not necessarily continue as a result of the interruption or interference with the **Business** but shall be regarded as continuing fixed costs for the purpose of Clause 2.2.4 **Item 4 Protection** hereunder, the **Limit** of Protection for such salaries and wages being as stated in the **Schedule**.

2.2.5 **Item 5: Loss of Rental Income – Rented-Out Properties**

The amount payable under this **Item 5** shall be limited to:

2.2.5.1. In respect of reduction in **Rental Income**:

the amount by which the **Rental Income** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Rental Income**; and

2.2.5.2. in respect of Increase in Cost of Working:

The expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Rental Income** which, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction in **Rental Income** thereby avoided,

less any sum saved during the **Indemnity Period** in respect of such of the costs, charges and expenses of the rental properties payable out of **Rental Income** as may cease or be reduced in consequence of the **Damage** and not exceeding the **Limit** stated in the **Schedule**.

2.2.6 Item 6: Accounts Receivable

The amount payable under this **Item 6** shall be limited to loss resulting from interruption to, or interference with, the **Business** in consequence of **Damage** and the amount that may be recovered under this **Item 6** is all sums due to the **Member** owed by any person or party provided the **Member** is unable to effect collection thereof as the direct result of **Damage** to records of Accounts Receivable, and in addition this item shall pay collection expenses in excess of normal collection expenses made necessary because of such **Damage**, plus interest charges at ruling bank rate on any loan to offset impaired collection.

Where there is proof that loss protected by this **Item 6** has occurred, and the **Member** cannot accurately establish the total amount of Accounts Receivable and outstanding, as at the date of **Damage**, such amount shall be calculated on the following basis:

- 2.2.6.1. A monthly average of Accounts Receivables shall be provided by the **Member** from available records over at least a twelve-month period, or, with the consent of the **Mutual**, over any determined shorter period, but in either case to be certified by the **Member's** Auditor or Public Accountant as being correct, and which average shall be adjusted in accordance with the known percentage variation to **Business** income during the intervening period.
- 2.2.6.2. The monthly average of Accounts Receivables thus established shall be further adjusted in accordance with any demonstrable variance for the particular month in which the **Damage** occurred and also for the preceding two months prior to the current month, (but only if those monthly records or documents cannot be re-established) with due consideration being given to fluctuations in business periods affecting income over those months.
- 2.2.6.3. The Current month Accounts Receivable, (and if necessary the previous two months Accounts Receivable), thus established will then be debited with its (their) respective percentage(s) of collections, if any, either known or reasonably calculated based on credit control practices with due consideration being given to recent banking records and receipts and the balance figures thus appearing shall be deemed to represent the outstanding amounts owing to the **Member** from Customers and other Creditors at the date of **Damage**. This method of determining amounts outstanding shall not take into consideration any monthly period beyond those as herein specified.

Provided always that there shall be deducted from the total amount as above calculated;

- (a) the amount of accounts evidenced by records not **Damaged** relevant to the period of calculation;
- (b) an amount to allow for probable or known bad debts, which amounts the **Member** would have been unable to collect or in all probability would have been unable to collect.

Subject to the **Limit of Protection** for this item not being exhausted, the **Protection** hereunder shall extend to include the reasonable fees payable by the **Member** to its Public Accountant or Auditor for certifying any particulars or details contained in the **Member's** Books of Account or other business books or records as proof or evidence to the **Mutual** under the terms hereof.

2.2.7 Item 7: Contractual Fines and Penalties

The amount payable under this **Item 7** shall be limited to fines and/or damages for breach of contract and the maximum amount payable hereunder shall be such sum or sums as the **Member** shall be legally liable to pay in discharge of fines and/or penalties incurred in consequence of the **Damage** for non-completion of orders, inability to meet contract specifications or cancellation of orders. The **Protection** hereby granted shall be subject to the **Sub-Limit of Protection** stated in the **Schedule** against "Contractual Fines and/or Penalties", for any one loss or series of losses arising from any one original source or cause at any one situation.

2.2.8 Item 8: Professional Fees

The amount payable under this **Item 8** shall be limited to:

The expenditure necessarily and reasonably incurred on professional fees, and such other reasonable expenses necessarily incurred by the **Member**, (not otherwise recoverable) for preparation of claims under Section 1 and or Section 2 and or 3 of these **Protections**. Any such amount shall be in addition to any other amounts payable under any item of **Protection**.

2.2.9 Item 9: Service Interruption

The amount payable under this **Item 9** shall be limited to:

Any loss resulting from interruption of or interference with the **Member's Business** in consequence of **Damage** to property that belongs to or is under the control of suppliers of land based electric power, gas, telecommunication services, water or sewerage reticulation control systems in Australia (whether or not at any **Premises** of the **Member**) caused by a risk not otherwise excluded by these **Protections**, subject to 72 hour waiting period.

2.2.10 Item 10: Denial of Access

The amount payable under this **Item 10** shall be limited to:

Any loss resulting from interruption or interference due to **Damage** to property within a radius of 5 kilometres of any **Premises** of the **Member** caused by a risk not otherwise excluded by these **Protections** which prevents or hinders the use of or access to those **Premises** and which results in cessation or diminution of trade, including any cessation or diminution of trade due to temporary falling away of potential customers. The **Indemnity Period** stated in the **Member Schedule** does not apply to this **Item 10**. The **Indemnity Period** under this **Item 10** shall be 30 days, subject also to a 72 hours waiting period.

2.2.11 Item 11: Loss of Suppliers' or Customers' Premises

Any loss resulting from interruption or interference due to **Damage** to property at the premises of the **Member's** suppliers, manufacturers, processors or storers of components, goods or materials or customers situated anywhere in the world caused by a risk not otherwise excluded by these **Protections**. However, a Natural Peril exclusion will apply to the protection provided under this **Item 11**.

A Natural Peril is defined as any weather or environmental event such as cyclone, typhoon, hurricane, tornado, flood, high water, storm depression, bush fire, wildfire or any other event categorised as a **Natural Catastrophe** by any local Government or Agency.

A supplier's premises or customer's premises shall have the specific meanings given below:

2.2.11.1. A **supplier's** premises is any premises which the Member obtains supplies of commodities, material, components, goods or other services than those referred to under Item 9; the premises of processors, the premises of manufacturers of plant and equipment and premises of storers of components, goods or materials for the **Member**.

2.2.11.2. A **customer's** premises is any premises to which the **Member** supplies or provides commodities, materials, components, goods or services.

2.2.12 **Item 12: Research and/or Development Projects**

The amount payable under this **Item 12** shall be limited to:

2.2.12.1. In respect of reduction in **Revenue**:

The amount by which the **Revenue** from **Research and/or Development** Projects during the **Indemnity Period** shall, in consequence of the **Damage**, fall short of the **Standard Revenue**.

2.2.12.2. In respect of Increase in Cost of Working:

The expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Revenue** from research of which, but for that expenditure, would have taken place during the **Indemnity period** in consequence of the **Damage**, but not exceeding the amount of the reduction in **Revenue** thereby avoided;

Less any sum saved during the **Indemnity Period** in respect of such of the costs, charges and expenses of the business payable out of **Revenue** as may cease or be reduced in consequence of the **Damage** and not exceeding the **Limit** stated in the **Schedule**.

2.2.13 **Item 13: Commission, Profits and Royalties**

The amount payable under this **Item 13** shall be limited to:

The actual loss of commissions, profits and royalties under any royalty, licensing fee or commission agreement between the **Member** and another party which is not realisable due to **Damage** to **Protected Property**.

2.2.14 **Item 14: General Area Damage**

Protection is extended to include any loss resulting from the interruption of interference with the **Business** provided the interruption or interference is directly resulting from **Damage** occurring to property in any commercial complex within a 5 kilometre radius of a **Premises** of which the **Premises** forms a part or in which the **Premises** are contained which prevents or hinders the use of or access to the **Premises** resulting in the cessation or diminution of **Business** activity.

2.3 **Memoranda Applicable to Section 2**

2.3.1 **Revenue Earned Elsewhere After Damage**

If, during the Indemnity Period, the Business shall be conducted elsewhere than at the Premises where Damage occurred for the benefit of the Business, the Revenue received from operations at such other Premises shall be brought into account in arriving at the Revenue during the Indemnity Period.

2.3.2 Books of Account

Any particular details contained in the **Member's** Books of Account or other **Business** books or documents which may be required by the **Mutual** for the purpose of considering any payment hereunder may be produced and certified by the **Member's** Auditors and their Certificate shall be prima facie evidence of the particulars and details to which such certificate relates.

2.3.3 Severance Pay

In the event of any loss paid hereunder, due allowance shall be made for any amounts obligated or agreed to be paid by the **Member** under conditions of Industrial Awards or Determinations or decisions reached under Arbitration for Severance pay or additional wages for those employees whose services are terminated as a result of the **Damage** during the **Indemnity Period**.

2.3.4 Loss Settlements in respect of Divisions, Departments or Individual Companies

If a **Member's Business** be conducted through individual Companies, Divisions or Departments, the independent financial results of which are ascertainable, the **Protection** provided hereunder shall, at the **Member's** option in the event of any loss settlement, apply separately to each such Company, Division or Department affected by the **Damage**.

2.4 Definitions Applicable to Section 2

Revenue means:

- 2.4.1 For the purposes of **Item 1** and **Item 12** of **2.2** Calculation of Protection, total income from all sources other than Government grants, donations and bequests, capital receipts and accretions, investment income, research grants, commissions, royalties and rental income, less the cost of:
 - 2.4.1.1. Raw stock consumed in the production of saleable goods;
 - 2.4.1.2. Supplies consumed, whether for the purpose of converting raw stock into saleable goods or in the supplying of income-earning services;
 - 2.4.1.3. Goods sold, including packaging materials, not produced by the Member;
 - 2.4.1.4. Cancellable Service Contracts, which service(s) would reduce proportionately with reduction in goods sold or the supplying of services for the obtaining of income.
- 2.4.2 For the purposes of **Item 2** of **2.2** Calculation of Protection, total income provided by a Government other than revenue in respect of Research and/or Development.
- 2.4.3 For the purposes of **Item 3** of **2.2** Calculation of Protection, total income derived from any source other than, donations and bequests, capital receipts and accretions and investment income.
- 2.4.4 For the purposes of **Item 12** of **2.2** Calculation of Protection, total income provided for **Research and/or Development**.
- 2.4.5 In connection with buildings or other property in the course of construction, including renovations or extensions, total anticipated income as defined in Clause **2.4.1** above in connection with such buildings or property.

2.4.6 **Standard Revenue** means:

2.4.6.1. in respect of Established Business:

the **Revenue** during that period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**, (appropriately adjusted where the **Indemnity Period** exceeds twelve months) and to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business**, either before or after the **Damage**, or which would have affected the **Business**, had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for **Damage**, would have been obtained during the relative period after the **Damage**.

2.4.6.2. In respect of New Business:

In event of **Damage** before the completion of the first year's trading or operation of the **Business**, the term **Standard Revenue** shall bear the following meaning and not as previously stated:

the **Revenue** during the period between the commencement of the **Business** and the date of **Damage**, to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

2.4.7 **Rental Income** means:

Gross rent and charges received or receivable from the **Member's** leased or rented **Premises**, calculated in accordance with the **Member's** normal practice of assessing rent and charges.

2.4.8 **Standard Rental Income** means:

2.4.8.1. In connection with an established property the **Rental Income** during that period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**, (appropriately adjusted to allow for the **Indemnity Period** stated in a **Member's Schedule**) and to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in, or other circumstances affecting, the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the **Damage**, would have been obtained during the relative period after the **Damage**.

In the event of **Damage** before the completion of the first year's **Business** in respect of a rental property the term **Standard Rental Income** shall have the following meaning and not as previously stated:

2.4.8.2. the **Rental Income** realised during the period between the commencement of the **Business** for that building, renovation or extension and the date of **Damage**, to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable, the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.



2.4.9 **Indemnity Period** means:

the period beginning with the date of **Damage** and ending not later than the number of months specified in the **Member's Schedule** during which the **Business** shall be affected in consequence of the **Damage**.

SECTION 3 - RESEARCH

3.1. Risks Protected

Subject to the terms, conditions and exclusions of these **Protections** including the **Limits** and **Sub-Limits** as set out in the **Schedule**, the **Mutual** may provide **Protection** to the **Member** for **Damage** to **Research Materials and/or Research Specimens** from **Spoilage** caused by:

3.1.1 Accidental Damage

3.1.2 Accidental Loss of Power to a Controlled Environment

3.1.3 Breakdown including the failure of **Automatic Refilling Equipment** and/or the failure of cryogenic storage vessels (e.g. Dewars).

3.1.4 In the event of **Damage** referred to in Clause 3.1.1, 3.1.2 or 3.1.3 and the **Business** carried on by the **Member** in consequence thereof is interrupted or interfered with, the **Mutual** may consider a claim by the **Member** for the amount of loss and/or the expense resulting from such interruption or interference in accordance with the applicable **Calculation of Protections** clause set out in Section 2 Consequential Loss, and subject to any **Limit** or **Sub-Limit of Protection** specified in the **Member's Schedule**

3.2. Calculation of Protection

Subject to the **Limits and Sub-Limits of Protection** specified in the **Schedule** and the Memoranda in Section 3.4, the calculation of **Protection** shall be:

3.2.1 On **Animals** used for teaching and/or research, the cost to replace the **Animals**. Replacement cost includes all reasonable costs and expenses incurred in re-establishing to the same stage in development existing as at the date of the **Damage**.

3.2.2 On **Consumables**, the replacement costs of the **Damaged** items.

3.2.3 On **Crops and Pastures**, the costs to clear and remove any **Debris** and to prepare the soil to its condition at the date of the **Damage** and replanting or re-sowing costs.

3.2.4 On **Research Materials** and/or **Research Specimens** in **Controlled Environments**, the value as replacement cost. Replacement cost includes all reasonable costs and expenses incurred in re-establishing to the same stage in development of all **Research Materials** and/or **Research Specimens** as existing at the date of **Damage** and required to re-establish research.

3.2.5 On **Damage** consequent upon **Machinery Breakdown**, the value as replacement cost. Replacement cost includes all reasonable costs and expenses incurred in re-establishing to the same stage in development of all **Research Materials** and/or **Research Specimens** as existing at the date of **Damage** and required to re-establish research.

3.3. Memoranda to Section 3

3.3.1 Each **Member** must declare the full replacement value of research, **Research Specimens** and contents in **Controlled Environments** at each of the **Member's Premises** at the commencement of each **Protection Period**, calculated in accordance with the Unimutual research valuation guidelines or an agreed equivalent process.

3.3.2 Each **Member** must declare the full replacement value of research, **Research Specimens** and contents in **Controlled Environments** at each of the **Member's Premises** at the end of each **Protection Period**, calculated in accordance with the Unimutual research valuation guidelines or an agreed equivalent process. A contribution adjustment is to be charged at the discretion of the **Mutual**.

SECTION 4 - EXCLUSIONS TO ALL SECTIONS

4.1 Property Exclusions

In this **Property Protection** the **Mutual** does not provide **Protection** for **Damage** under Section 1 to the following property, or to claims for loss under Section 2 resulting therefrom:

4.1.1 Money:

- 4.1.1.1 whilst being carried by professional money carriers, professional carriers, or common carriers which is more specifically insured excepting the excess amount over and above such more specific insurance.

Provided that where in the ordinary course of business the **Member** enters into an agreement with such carriers and such agreement provides that the **Member** shall indemnify and/or hold harmless and/or release from liability such carriers in respect of **Damage** which may occur as a result of any event hereby protected against, this **Protection** shall operate as if this property exclusion 4.1.1.1 had been deleted.

- 4.1.1.2 stolen from an unlocked and unattended vehicle;

- 4.1.1.3 stolen from a safe or strong room opened by a key or by use of details of a combination, either of which has been left at the relevant location outside business hours, unless such key or combination details have been properly secured;

- 4.1.1.4 where the loss of such money is not discovered within fifteen (15) working days of the event giving rise to the loss;

- 4.1.1.5 where the loss of such money arises out of extortion by:

- (a) kidnapping;
 - (b) bomb threat; or
 - (c) hoax;
- or any attempt thereat.

- 4.1.2 Jewellery, furs, bullion, precious metals or precious stones other than as used for exhibition or as part of the **Member's** activities;

4.1.3 Any

- 4.1.3.1 locomotive or rolling stock or motorised watercraft.

For the purposes of paragraph 4.1.3.1 above, "motorised watercraft" means:

- (a) any motorised vessel, craft, thing or equipment made or intended to float on or in the water or travel on, through or under the water exceeding 10 metres in length;
- (b) fittings as would normally pass with a vessel on its sale; and
- (c) machinery, fittings or accessories normally forming part of the vessel or normally carried on it, and

provided that this exclusion shall not apply to testing or research equipment of any sort which is expected to go in, on or underwater;

- 4.1.3.2 aircraft or spacecraft (including its accessories and/or spare parts) other than as stock or merchandise of the **Member's Business** or activity, or model aircraft, provided always that no protection shall apply hereunder during taxiing, take-off, flight or landing other than remotely piloted aircraft.
- 4.1.3.3 Vehicles or trailers registered or licensed to travel on a public road, provided that this exclusion shall not apply to vehicles holding a permit solely allowing travel between different sectors of the **Premises** or to mobile plant and equipment (excluding cars, sedans, panel vans and trucks) whilst on any **Premises** occupied or used by the **Member**. This exclusion also shall not apply to vehicles or trailers registered or licensed to travel on a public road whilst parked at the **Premises** or parked at **Premises** occupied or used by the **Member** if **Damage** not otherwise excluded, is the result of fire only and is not otherwise insured;
- 4.1.3.4 **Animals**, other than **Research Specimens**, unless their loss or destruction is caused by fire, lightning or explosion (and including destruction for humane reasons in consequence of injury arising from these perils). However, **Animals** for commercial and farm purposes will only be protected for the aforesaid risk if values have been declared and acceptance granted as evidenced by the inclusion of a **Sub-Limit of Protection** in the **Member's Schedule**;
- 4.1.3.5 land, provided that this exclusion shall not apply to structural improvements on or in the land if such structural improvements are not otherwise excluded under this **Protection**;
- 4.1.3.6 mining property located beneath the surface of the ground unless otherwise expressly stated in the **Schedule**;
- 4.1.3.7 property **Damaged** during the course of, and as a result of, its processing, provided, however, that if a fire or explosion ensues, the **Mutual** may reimburse the **Member** for the **Damage** caused by such fire or explosion;
- 4.1.3.8 property included in a project of construction, erection, alteration or addition, including the partial dismantlement of existing structures, where the total contract value of all work to be carried out at any one Situation for such project exceeds two million dollars (\$2,000,000). Provided that this Exclusion 4.1.3.8 shall apply only to the works comprising such construction, erection, alteration or addition and not to any original or **Existing Structures**;
- 4.1.3.9 empty **Premises** undergoing demolition;
- 4.1.3.10 bridges, canals, roadways and tunnels, railway tracks, dams and reservoirs (other than tanks) and their contents. (Provided this Exclusion shall not apply to any of the aforementioned on the **Premises** occupied or used by the Member);
- 4.1.3.11 docks, wharves and piers not forming part of a building; (provided this Exclusion shall not apply to any of the aforementioned on the **Premises** occupied or used by the **Member**);
- 4.1.3.12 oil and gas drilling and/or production rigs whilst offshore;
- 4.1.3.13 **Standing Timber** other than **Damage** (not otherwise excluded) caused by fire;
- 4.1.3.14 **Crops and Pastures**:

- (a) for commercial and farm purposes;
 - (b) intended for teaching and research purposes,
- other than **Damage** (not otherwise excluded) caused by fire, lightning or explosion;

4.1.3.15 Breakdown

items as hereunder listed in consequence of **Breakdown**:

- elements, fuses, points or any other part or parts where arcing or sparking occurs or would be expected to occur in the normal course of working;
- any x-ray machine, electron microscope, particle accelerator, beta gauge or spectrograph, unless as the result of the burning out of the electrical component part or parts thereof by electrical current artificially generated necessitating their repair or replacement;
- Computer and electronic equipment, unless subject to regular maintenance by the Member or a reputable computer supplier or manufacturer;
- any motor vehicle registered for use on a public road or thoroughfare, aircraft or watercraft, but this exclusion does not apply to unregistered vehicles or mobile equipment used at the campus or other location of the Member as a tool of trade;
- any steam or gas turbine generator unit of capacity exceeding 250 horse-power or equivalent;
- non-metallic parts; tools, knives, blades, cutters and similar expendable components; moulds; dies; templates; screens; sieves; ropes; belts and like items subject to rapid wear and tear;

4.1.3.16 transmission or distribution lines (including but not limited to transformers, poles, towers or wiring and equipment connected to them), other than those owned by the Member and within 300 meters of a declared location;

4.1.3.17 farm fencing and gates which enclose an agricultural area. The term agricultural shall include agricultural teaching, agricultural research as well as commercial agricultural ventures;

4.1.3.18 loss or **Damage** to Fine Art, Rare Books and Other Valuable Collections hereby protected which may be sustained whilst the same is under any repairing, restoration or retouching process and directly resulting therefrom;

4.1.3.19 Consequential Loss for Fine Art, Rare Books and Other Valuable Collections;

4.1.3.20 All blockchain-based digital assets such as cryptocurrency(ies), cryptoassets, cryptographic tokens and non-fungible tokens.

This exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

4.2. Risk Exclusions

4.2.1 Notwithstanding any provision to the contrary within these Protections or any endorsement thereto it is agreed that these Protections exclude loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss

- 4.2.1.1 war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- 4.2.1.2 confiscation, nationalisation, requisition or **Damage** to such property by or under the order of any Government, Public or Local Authority,
- 4.2.1.3 any **Act of Terrorism**.

This Exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 4.2.1.1 and/or 4.2.1.2 above.

If the **Mutual** allege that by reason of this Exclusion, any loss, damage, cost or expense is not covered by these **Protections** the burden of proving the contrary shall be upon the **Member**.

Notwithstanding the provisions of Risk Exclusion 4.2.1.2 above, the **Mutual** may grant **Protection** to the **Member** for the reasonable cost of removal of **Protected Property** for the purpose of preventing or diminishing imminent **Damage** not otherwise excluded by fire, or any other peril included in these **Protections** or for the purpose of inhibiting the spread of fire.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

4.2.2 **Damage** solely caused by or as a result of:

- 4.2.2.1 moths, termites or other insects, vermin, rust or oxidation, mildew, mould, Contamination or Pollution (except to the extent provided by Land and Water Contaminant Clean Up, Removal and Disposal Memorandum to Section 1 of (xxv), wet or dry rot, corrosion, change of colour, dampness of atmosphere, drought, variations in temperature, evaporation, disease, infestation, inherent vice or latent defect, loss of weight, change in flavour, texture or finish, smut or smoke from industrial operations
- 4.2.2.2 wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good;
- 4.2.2.3 error or omission in design, plan or specification or failure of design;
- 4.2.2.4 normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements and vibration; or
- 4.2.2.5 faulty material or faulty workmanship,

Provided that Risk Exclusions 4.2.2.1 to 4.2.2.5 shall not apply to subsequent loss, destruction of or **Damage** to the **Protected Property** occasioned by a risk (not otherwise excluded) resulting from any event or risk referred to in this Exclusion.

4.2.3 Claims for **Damage** occasioned by or happening through:

- 4.2.3.1 incorrect siting of buildings;
- 4.2.3.2 demolition ordered by Government or Public or Local Authorities due to failure on the part of the **Member** or their agents to obtain the necessary permits required;

4.2.3.3 unexplained or inventory shortage, disappearance resulting from clerical or accounting errors, shortage in the supply or delivery of materials to or from the **Member**;

4.2.4 Claims for **Damage** occasioned by or happening through:

4.2.4.1 the cessation of work whether total or partial;

4.2.4.2 the cessation, interruption or retarding of any process or operation, in consequence of riots, strikes or workers prevented from entering their place of work, Provided that the provisions of Risk Exclusion 4.2.4.1 and 4.2.4.2 above shall not apply in respect of **Damage** not otherwise excluded directly caused by riots, strikes, or the actions of locked out workers or similar persons; or

4.2.4.3 kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt thereat,

Provided that Risk Exclusion 4.2.4 shall not apply to subsequent **Damage** not otherwise excluded to the **Protected Property** occasioned by a risk covered hereunder resulting from any event or risk referred to in this Exclusion.

4.2.5 Claims for **Damage** occasioned by or happening through fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting data corruption, unauthorised amendment of data and erasure by electronic or non-electronic means involving the **Protected Property** by the **Member** or any employee(s) of the **Member** acting alone or in collusion with any other person(s)

Provided that this exclusion shall not apply to theft consequent upon forcible and violent entry upon **Premises** or felonious concealment upon **Premises** committed by an employee of the **Member** or theft of money whilst in transit.

4.2.6 Claims for **Damage** to **Machinery** caused by or arising from:

4.2.6.1 the intentional direct application of any tool or process during the course of repair, alteration, modification, maintenance or overhaul thereof; or

4.2.6.2 hydraulic testing or any other form of testing involving abnormal stress or intentional overloading.

4.2.7 **Damage** to the **Protected Property** hereunder or any legal liability of whatsoever nature caused directly or indirectly by or contributed to, by or arising from:

4.2.7.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

4.2.7.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

4.2.7.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;

4.2.7.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes

For the purpose of this exclusion only 'combustion' shall mean any self-sustaining process of nuclear fission.

Provided that this exclusion shall not apply if the **Damage** not otherwise excluded is caused by or arises out of the use of spectrometers, X-ray units, diathermy machines, equipment for radio and television broadcasting, telecommunications equipment, radar installations or industrial and commercial appliances used for sealing plastics or welding, heating, drying and cooking.

4.2.8 Loss of any kind due to delay, lack of performance, loss of contract or (subject to Loss of land Value memorandum) depreciation in the value of land or stock, except that as provided in Section 2 of these **Protections**.

4.2.9 Legal liability of whatsoever nature other than as herein stated.

4.2.10 **Damage** to the **Protected Property** hereunder caused by or arising from erosion unless the erosion was caused by a protected peril.

4.2.11 **Damage** occasioned by or happening through action by the sea, tidal wave or high water

Provided that this exclusion shall not apply if **Damage** (not otherwise excluded) is caused by or arises out of an **Earthquake** or seismological disturbance.

4.2.12 Damage to Animals solely caused by or as a result of Predation or Disease.

For the purpose of this Exclusion (4.2.12) only

Predation shall mean the consumption or attempted consumption of Animals by a predatory organism or parasite.

Disease shall mean the presence of a pathogen or group of pathogens shown to have a primary causative relationship with the mortality of Animals; such presence to be substantiated by its (their) isolation and identification or reasonably assumed following historical and/or other pathological examination and certification by a recognised authority.

4.2.13 The **Mutual** shall not be deemed to provide cover and the **Mutual** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the **Mutual** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America, Australia and New Zealand.

4.2.14 Notwithstanding any provision to the contrary within these Protections or any endorsement thereto, this Protection excludes any:

4.2.14.1 **Cyber Loss**, unless subject to the provisions of clause 4.2.14.3

4.2.14.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**, unless subject to the provisions of Clause 4.2.14.3

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

4.2.14.3 Subject to all the terms, conditions, limitations and exclusions of this **Protection** or any endorsement thereto, this **Protection** does cover physical loss or physical damage to **Protected Property** caused by any ensuing fire or explosion which

directly results from a **Cyber Incident**, unless that **Cyber Incident** is caused by, contributed to by, resulting from, arising out of or in connection with a **Cyber Act** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act**.

Further, and subject to all the terms, conditions, limitations and exclusions of this **Protection** or any endorsement thereto, should **Data Processing Media** owned or operated by the **Member** suffer physical loss or physical **Damage** covered by this **Protection**, then this **Protection** will cover the cost to repair or replace the **Data Processing Media** itself plus the costs of copying the **Data** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the **Data**. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank **Data Processing Media**. However, this **Protection** excludes any amount pertaining to the value of such **Data**, to the **Member** or any other party, even if such **Data** cannot be recreated, gathered or assembled.

In the event any portion of this Clause 4.2.14 is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This Clause supersedes and, if in conflict with any other wording in the **Protection** or any endorsement thereto having a bearing on **Cyber Loss**, **Data** or **Data Processing Media**, replaces that wording.

For the purpose of this Clause 4.2.14, the following definitions apply:

Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**.

Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

Cyber Incident means:

- any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
- any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the **Member** or any other party.

Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

Data Processing Media means any **Protected Property** on which **Data** can be stored but not the **Data** itself.

- 4.2.15 Notwithstanding any provision to the contrary within this **Protection** or any endorsement thereto, this **Protection** does not cover any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence

with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease**.

For the purposes of this Exclusion, loss, **Damage**, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

4.2.15.1 for a **Communicable Disease**, or

4.2.15.2 any **Protected Property** that is affected by such **Communicable Disease**.

This Exclusion applies to all coverage extensions, additional coverages, exceptions to any Exclusion and other coverage grant(s).

All other terms, conditions and Exclusions of this **Protection** remain the same.

- 4.2.16 These **Protections** exclude loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

SECTION 5 - MEMORANDA APPLICABLE TO ALL SECTIONS

5.1 The following Memoranda shall apply to all Sections of the Property **Protection**.

5.1.1 The **Limit of Protection** under each Section and/or item of these **Protections** may be reinstated in the event of any claim paid to the **Member**, but this memorandum shall not apply where the **Limit of Protection** under the Section or item is an annual aggregate **Limit** or **Sub-Limit of Protection**.

5.1.2 Event Definition

The words “one event” shall mean all individual losses arising out of and directly occasioned by one occurrence or **Natural Catastrophe**. However, the duration and extent of any “event” so defined shall be limited to 168 consecutive hours for each of the following:

5.1.2.1 cyclone, hurricane, typhoon, windstorm, rainstorm, hailstorm and /or tornado.

5.1.2.2 **Earthquake** including all related after shocks including fire following directly occasioned by such **Earthquake** and related after shocks within the same period.

5.1.2.3 **Flood**

5.1.2.4 seaquake, tidal wave and/or volcanic eruption.

5.1.2.5 riots, civil commotions and malicious **Damage** within the limits of one State Capital City, City, Town or Village.

5.1.2.6 any other **Natural Catastrophe** of whatsoever nature other than bushfires in Australia.

In respect of bushfires in Australia the words “event” shall mean all individual losses arising during a period of 168 consecutive hours caused by fires originating in or spreading through trees and/or grassland.

No individual loss from whatever risk, which occurs outside these periods or areas, shall be included in that “event”.

The **Mutual** will determine the date and time when any such period of consecutive hours commences and, if any occurrence or **Natural Catastrophe** is of greater duration than the periods above, the **Mutual** may divide that occurrence or **Natural Catastrophe** into two or more “events”, provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to a **Member** caused by that occurrence or **Natural Catastrophe**. If a loss event as defined above occurs within the final 168 hours of a protection year which also affects the subsequent protection year, then that loss event will be treated as if it occurred wholly within the expiring protection year, subject to the continuation of cover

5.1.3 Waiver

The **Mutual** will not pursue any rights and remedies or relief to which the **Mutual** may become entitled against:

5.1.3.1 any corporation or organisation (including its directors, officers or employees) owned or controlled by the **Member** or subsidiary to any **Member**, or any co-owner of the **Protected Property** hereunder.

5.1.3.2 any statutory, governmental, semi-governmental or municipal authority, lessor, or property owner in relation to service, supply, leasing, financing, renting or similar contracts.

5.1.3.3 any other party as noted and agreed by Unimutual in the schedule of protected entities, or, prior to any claim, on a prior submit basis

5.1.4 Automatic Protection

These **Protections** cover property under the terms of Section 1, Section 2 or Section 3 up to the **Limits of Protection** specified in the **Schedule** at any location in which is being rented, leased or purchased by a **Member**, but which rental, lease or purchase has not been finalised (excluding property otherwise excluded under these **Protections**), pending the **Member's** declaration of such property to the **Mutual**. Such property must be of a similar nature to the existing **Protected Property**.

5.1.5 Errors and Unintentional Omissions

In the event that any claim is not payable under these **Protections** solely because of:

5.1.5.1 any error or unintentional omission in the description or location of **Protected Property** under these **Protections**, which error or omission existed at the inception date of these **Protections**; or

5.1.5.2 any error or unintentional omission in the description or location of the **Protected Property** under these **Protections**, in any subsequent amendments to these **Protections**; or

5.1.5.3 failure through error or unintentional omission to include:

(a) any location owned or occupied by a **Member**; or

(b) any **Protected Property** at any location newly acquired or occupied during the term of these **Protections**; or

5.1.5.4 any error or unintentional omission which results in cancellation of **Protected Property** at any location under this **Protection**,

then such claim shall be considered in the same manner as these **Protections** would have provided had the error or unintentional omission not been made, up to the **Limits** and **Sub-Limits of Protection** as specified in the **Schedule**.

Provided always that such error or unintentional omission shall be reported and corrected as soon as reasonably practicable after it is discovered.

5.1.6 Asbestos Protection

These **Protections** only provide protection for asbestos physically incorporated in a protected building or structure, and then only that part of the asbestos which has been physically **damaged** during the **Protection Period** by one of the following listed perils:

Fire, explosion, lightning, windstorm, hail, direct impact of vehicle, aircraft or vessel, riot or civil commotion, vandalism, or malicious mischief, or **Damage** to fire protection equipment.

This **Protection** is subject to each of the following specific limitations:



- 5.1.6.1 The said building or structure must be protected under these **Protections** for damage by the listed peril which caused the asbestos damage.
- 5.1.6.2 Such listed peril must be the immediate, sole cause of the damage of the asbestos.
- 5.1.6.3 The **Member** must report to the **Mutual** the existence and cost of the damage as soon as practicable after such listed peril first damaged the asbestos. However, these **Protections** do not provide **Protection** for any such **Damage** first reported to the **Mutual** more than 12 (twelve) months after the expiration, or termination, of the **Protection Period**.
- 5.1.6.4 **Protection** in respect of asbestos shall not include any sum relating to:
- (a) Any faults in the design, manufacture or installation of the asbestos;
 - (b) Asbestos not physically damaged by such listed peril including any governmental or regulatory authority direction or request of whatsoever nature relating to undamaged asbestos,

Except as provided by Clause 5.1.6 these **Protections** do not **protect** asbestos or any sum relating thereto.

5.1.7 **Damage and Loss of Revenue Under Clause 2.4.5**

In the event of loss payable in connection with **Damage** to buildings or other property in the course of construction, including renovations or extensions, the most that the **Mutual** will pay for loss and/or **Damage** under Sections 1 and 2 is the amount set out in the **Schedule** for any one claim, and in the aggregate for all claims under sections 1 and 2, during the **Protection Period**.

Provided always, that this **Protection** will only apply where where the total contract value of all such work to be carried out at any one **Situation** does not exceed two million dollars (\$2,000,000).



SECTION 6 - CONDITIONS APPLICABLE TO ALL SECTIONS

6.1 Alteration

These **Protections** shall not be prejudiced by:

- 6.1.1 any act or omission unknown to, or beyond the control of the **Member** on the part of any tenant occupying or using the **Premises**;
- 6.1.2 any alteration of occupancy including changes due to transfer of processes or **Machinery** in the **Premises**; or
- 6.1.3 structural alterations and/or repairs, limited to buildings, **Machinery** and plant.

Provided that any such act, omission or alteration, upon coming to the knowledge of the **Member's Representative**, shall be notified to the **Mutual** as soon as reasonably practicable.

6.2 Cancellation

These **Protections** may be cancelled by the **Mutual** or the **Member** in accordance with the Rules of the **Mutual**.

6.3 Notification of Claim for Loss or Damage

Only the **Member** may apply to the **Mutual** for **Protection**.

On the discovery of any **Damage**, the **Member** shall as soon as reasonably practicable give notice thereof in writing to the **Mutual** and shall, within ninety (90) days after such **Damage** or such further time as the **Mutual** may in writing allow, at the **Member's** own expense, unless otherwise herein stated, deliver to the **Mutual** a statement in writing, containing as particular account as may be reasonably practicable of the several articles or portions of property **Damaged** and of the amount of **Damage** relative thereto, having regard to their value at the time of the **Damage**, together with details of any indemnity or insurances on any **Protected Property**.

The **Member** shall use due diligence and do and concur in doing all things reasonably practicable to minimise any interruption to or interference with its business or activities or to avoid or diminish loss and shall also deliver to the **Mutual** a statement setting out the amount of loss with all particulars and details reasonably practicable of the loss and shall produce and furnish all books of accounts and other business books, invoices, vouchers and all other documents, proofs, information, explanations and other evidence and facilities as may reasonably be required for investigation and verification of the amount claimed together with (if requested) a statutory declaration of the truth of the amount claimed and of any matters connected therewith.

6.4 Fraud

- 6.4.1 If any claim be in any respect fraudulent, or if any fraudulent means or devices be used by the **Member** or anyone acting on the **Member's** behalf, to obtain any benefit under these **Protections** or,

- 6.4.2 if any **Damage** be occasioned by the wilful act or with the connivance of the **Member**,

the **Mutual**, without prejudice to any other right the **Mutual** has, shall be entitled to refuse to consider or pay any such claim.

6.5 Reinstatement

If the **Mutual** determines to reinstate or replace any property, the **Member** shall, at the **Mutual's** own expense, produce and deliver to the **Mutual** all such plans, documents and information as the **Mutual** may reasonably require. The **Mutual** need not consider reinstating exactly or completely, but only as

circumstances permit and in reasonably sufficient manner and shall not in any case expend more than the applicable **Limit**.

6.6 Rights of Mutual

On the happening of any **Damage** in respect of which a claim is or may be made under these **Protections**, the **Mutual** may enter, take or keep possession of or require to be delivered to the **Mutual** any of the property hereby protected and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner. The **Member** will comply with the requirements of the **Mutual** and will not hinder or obstruct the **Mutual** in doing any of the abovementioned acts.

The **Member** shall not in any case be entitled to abandon any property to the **Mutual**, whether taken possession of by the **Mutual** or not.

6.7 Recovery by Mutual from Third Parties

A **Member** shall, at the request and at the expense of the **Mutual**, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the **Mutual** for the purpose of enforcing any rights and remedies, or of obtaining relief or cover from other parties to which the **Mutual** shall be or would become entitled or subrogated upon the **Mutual** paying for or making good any loss, destruction or consequential loss under these **Protections**.

6.8 Precautions to prevent Damage

The **Member** shall take all reasonable precautions to prevent and/or minimise **Damage** to the **Protected Property**.

6.9 Member's Action after Theft or Damage

The **Member** shall, upon becoming aware of any loss by theft or of any wilful or malicious **Damage** that may give rise to a claim under these **Protections**, take all practicable steps to trace and recover any missing property and to discover by whom the property was stolen or **Damaged**.

6.10 Reasonable Despatch

If, following **Damage** to the property, the **Member** considers the resumption of its business activity and/or the work of reinstating or replacing or repairing the property poses a threat to human life or safety and as a result of the **Member** delays commencement of all or part of the resumption of its business activity and/or all or part of the work of reinstatement or replacement or repairing, then the **Mutual** agrees that any such delay will be deemed to be beyond the control of the **Member** and that the **Member** is acting with reasonable despatch and due diligence.

6.11 Observance of Terms and Conditions

The due observance and fulfilment of these conditions and the other terms of these **Protections** by the **Member** insofar as the same are capable of being fulfilled, are conditions to the **Mutual's** consideration of exercising its discretion to provide **Protection** for the **Member**.

6.12 Insurance or Other Indemnity

With respect to any claim made under these **Protections**, if there is any other indemnity available to the **Member** (such as insurance, covering the same **Damage** or loss) the **Member** shall promptly notify the **Mutual** of the existence of such insurance or other indemnity, providing full details including the identity of the provider of such insurance or indemnity, the policy or agreement number and such further information as the **Mutual** may reasonably require. If any such insurance or indemnity applies the **Mutual** shall only consider providing protection to the **Member** for any loss or **Damage** which exceeds the amount of such insurance or other indemnity.

6.13 Progress Payments

Provided the **Mutual** has determined to pay any claim, progress payments on account of any such claim may be made to the **Member** at such intervals and for such amounts and on such terms as the **Mutual** deems reasonable.

6.14 Goods & Services Tax

Where settlement is made under Section 1 of this **Protection** wholly or partly by way of payment

- 6.14.1 for the acquisition of goods, services or other supply; or
 - 6.14.2 compensation instead of payment for the acquisition of goods, services or other supply,
- the **Mutual** shall reduce the settlement amount by:
- 6.14.3 the amount of any input tax credit that the **Member** is or will be entitled to under A New Tax System (Goods and Services Tax) Act 1988 in relation to the acquisition of such goods, services or supply;
 - 6.14.4 the amount of any input tax credit that the **Member** would be entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the monetary compensation been applied to acquire such goods, services or supply.

6.15 Loss in Progress at Expiry

If this **Protection** should expire whilst any loss, destruction or **Damage** is in progress it is understood and agreed that subject to the other terms and conditions of this **Protection** the **Mutual** are responsible as if the entire loss, destruction or **Damage** had occurred prior to the expiration of this **Protection** provided that no part of that loss, destruction or **Damage** may be claimed against any renewal of this **Protection**.

6.16 Bankruptcy, Insolvency or Termination

In the event of bankruptcy, insolvency, dissolution, winding up or termination, voluntary or involuntary, of the **Member** or any party claiming to be indemnified hereunder, the **Mutual** shall not be relieved thereby of the payment of any claim hereunder because of such bankruptcy, insolvency, dissolution, winding up or termination.



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Unimutual Limited

Product Disclosure Statement

PART 5 – Combined Liability Protections

This is Part 5 of the PDS dated 1 November 2023 issued by

Unimutual Limited
Phone: (02) 9169 6600
Email: service@unimutual.com.au
Website: www.unimutual.com
AFS Licence No: 241 142
ABN: 45 106 564 372



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As one of **our** members for the **protection period**, the **member** is entitled to have claims for **protection** considered by **our** Board. The Board will consider the **member's** claims for **protection** in accordance with the terms, conditions, definitions and exclusions and effected endorsements of these **protections**. Please note that these **protections** should be read in conjunction with the Certificate of Entry and **schedule** issued to the **member** and **our** Rules and Constitution.

APPLICABLE TO ALL PROTECTIONS

Claims made and losses discovered

Parts of this protection are on a “claims made” or “losses discovered” basis. This means that, subject to the terms and conditions of the protection, the protection will cover members for claims made against the members or losses discovered and notified to the mutual during the period of protection period or the discovery period (if applicable).

The protection may also respond to the written notification of facts that might give rise to a claim pursuant to Section VII. General Conditions C. Notification of Circumstances which prevents the mutual from refusing to pay a claim made against the member by reason only that the claim was made after the expiry of the protection period where the member gave notice in writing to the mutual of facts that might give rise to a claim or loss as soon as was reasonably practicable after the member became aware of those facts but before the expiry of the protection period or the discovery period (if applicable).

GENERAL DEFINITIONS

These definitions apply to these protections unless stated otherwise. Defined words will appear in bold. Unless the context requires another meaning, a reference to the singular includes the plural and vice versa.

Act of Terrorism

An act, including but not limited to the use of force or violence and/or threat of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with,

- a) any political, religious, ideological, ethnic or similar purposes or reasons: or
- b) the intention to influence any government and/or to put the public, or any section of the public in fear.

Advertisement

Promoting of capabilities, services or products through advertising brochures, pamphlets and other fliers, electronic mail, billboards and other outdoor advertising, broadcast or telecast advertisements, direct mail advertising, display units, the internet, magazine and other print publication advertisements, merchandising, radio, cinema and trade exhibits.

Advertising injury

- a) piracy or any act or omission in the use of advertising or merchandising ideas;
- b) infringement of copyright; or
- c) infringement of patent;

arising in connection with the **member's** or **affiliate's** **advertisements**.

Affiliate

- a) any college, hall of residence, union, club, society, association, foundation or institute incorporated or unincorporated, affiliated with, registered with or operating within the framework of a **Member** and formed by or with the knowledge and consent of a **Member** or **Affiliate** (including members of and office bearers of such clubs, associations and societies): and /or
- b) any person or group of persons being members of or students of or employed by **Members** or their **Affiliates** or performing any function whatsoever in Australia, or elsewhere under the aegis of the **Member** or an **Affiliate**; and/or
- c) any entity wholly or partly owned or controlled by a **Member** which has been accepted by Unimutual Limited as an **Affiliate** at the request of the **Member** and specified as such in the **Certificate of Entry** or **Schedule**; and/or
- d) any entity which a **Member**; or any entity specified in (a) or (c) above, has, under contract or otherwise, agreed to include in their Protections but only to the extent required by such contract or agreed to by the **Member** or entity specified in (a) or (c) above and which has been accepted by us.
- e) Any past Affiliate whilst they were deemed an **Affiliate** of the **Member**

Aircraft

Any vehicle designed to transport people or property in the air. For the avoidance of doubt “aircraft” shall not mean any Remotely Piloted Aircraft (RPA) operated by a Member.

Bodily Injury

Physical injury, death, sickness, disease, disability, illness, shock, fright, mental anguish or mental injury

Civil Liability

Liability of the **Member** for any civil cause of action for compensation, based solely on its provision of, or failure to provide the **Professional Services**. It does not include any liability, of whatever nature and however arising, for aggravated, punitive or exemplary damages or for civil or criminal penalties, fines or sanctions.

Claim**In respect of Section 1, 3 and 4**

- a) Any written or verbal notice of demand for damages or compensation made by a third party against you; or
- b) Any writ, statement of claim, summons, application or other originating legal or arbitral process, cross-claim, counterclaim or third or similar party notice served upon you.

In respect to section 2 Professional liability

- a) a demand for, or an assertion of a right to civil compensation or civil damages, or
- b) an initiation of an intention to seek civil compensation or civil damages

Clinical trial

- a) Any human trial or health volunteer study which complies with the statutory requirements or guidelines of the relevant authority, department or public or registered private body in the country in which the trial or study takes place or
- b) A study that has to be approved by the Members Human Ethical Committee

Compensation

Monies paid or payable by judgment, award or settlement in respect of **Your** liability for **Personal Injury** or **Property Damage** or **Advertising Injury** in respect of which these **Protections** apply and **Your** part of legal costs and expenses (other than those referred to in **Defence Costs**)

Crisis

The occurrence of an event or allegation the reporting of which in local, regional, national or international media (including the internet) may lead to damage to the **members'** reputation provided that the event or allegation leads or may lead, or relates to, a claim by the **member** which falls within the scope of this protection or a current claim by the **member** in respect for which protection was granted by us in a previous **protection period**.

Crisis Loss

The reasonable and necessary fees, costs and expenses paid by the **member** for external crisis management services (provided that **we** have given its prior consent to the use of such services) commissioned to assist you in response to a **Crisis** after the notification to **Us** of the **Crisis**

Defence costs

The reasonable charges, expenses and legal costs:

- a) incurred with **our** written consent, necessary to investigate, settle or defend a claim against you; and/or
- b) necessary to investigate incidents, facts and/or circumstances that have been notified to **us** by **you** if **we** believe those incidents, facts and/or circumstances may give rise to a **claim** against **you**.

To avoid doubt, **defence costs** include costs relating to communication between external service providers (such as solicitors and investigators) and us.

Documents

Documents of any nature whether written, printed or reproduced by any method including computer records and electronic data material but excluding bearer bonds or coupons, bank or currency notes or any other negotiable instruments

Enquiry Costs

Reasonable legal, assessors, adjusters costs incurred with our written consent but does not include **Your** or **Your** employee's salaries, wages, travel or accommodation expenses.

Genetically Modified Organism or GMO

Organisms which have undergone, or whose precursors have undergone, or parts which have undergone, a genetic engineering process which resulted in their genetic change in a manner not achievable through traditional breeding methods or natural genetic recombination.

Genetic Engineering

- i) means and includes the transfer of individual genes between unrelated species through the use of recombinant DNA techniques; but
- ii) does not mean and does not include a genetic change achievable through traditional breeding methods, radiation breeding by random mutagenesis or entirely natural genetic recombination.

Good Samaritan Act

Any **health care** administered at the scene of a medical emergency, accident or disaster by **you** when **you** are at the scene either by chance or in response to a call for assistance following the emergency, accident or disaster.

Handling the GMO

All activities involving a **GMO**, the modified genetic component of a **GMO**, any protein derived from that component or any product containing such a component or protein including production, use, processing, release for research purposes, marketing, commerce, import and export, possession, storage, transport or disposal

Health care

Any care, treatment, service or goods provided in respect of the physical or mental health of a person.

Health Care Professional

Has the same meaning as defined in the Medical Indemnity (Prudential Supervision and Product Standards) Act 2003.

Health Care Incident

Has the same meaning as defined in the Medical Indemnity (Prudential Supervision and Product Standards) Act 2003

Hovercraft

Any vessel, craft or thing made or intended to transport persons or property over land or water supported on a cushion of air.

Incidental Contract

- a) any written rental, lease or hiring agreement of real or personal property, other than with respect to any term or condition contained in such rental, lease or hiring agreement that requires You to insure such property; and/or
- b) any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities; and/or



- c) any written contract with any railway authority for the loading, unloading and/or transport of Products, including contracts relating to the operation of railway sidings; and/or
- d) any contracts specified in the Schedule.

Independent Lawyer

A judge, retired judge, barrister or solicitor.

Injurious Falsehood

Is a lie that was uttered with malice, that is, the utterer knew it was false or would cause damage or Harm to another's business.

Inquiry Body

Any formal administrative or formal regulatory inquiry by a governmental, regulatory, self-regulatory, professional, statutory or official body or institution that is empowered by law to investigate the affairs of a **Protected Person** or a **Member** or **Affiliate**, including for the avoidance of doubt, a royal commission.

Inquiry Costs

The reasonable expenses incurred by **You** with **Our** prior written consent in responding to or attending Inquiries, including travel, accommodation, legal support, loss of salary or wages (but not other loss of income)

Internet operations

- a) The transfer of computer data or programs by use of electronic mail systems by the **member** or **affiliate** or employees or students of the **member** or **affiliate** (including, for the purpose of this definition only, part-time and temporary staff, contractors, volunteers and others within the **member** or **affiliate** organization) whether or not such data or programs contain any malicious or damaging code (including but not limited to computer virus, worm, logic bomb or trojan horse);
- b) Access through the **member's** or **affiliate's** network to the world wide web or a public internet site by employees or students of the **member** or **affiliate** (including, for the purpose of this definition only, part-time and temporary staff, contractors, volunteers and others within the **member** or **affiliate** organisation); or
- c) The operation and maintenance of the **member's** or **affiliate's** website.
- d) Access to Your intranet (meaning internal company information and computing resources) which is made available through the world wide web for Your customers or others outside Your organisation.

Limit of protection

The limit of protection set out in the **schedule**.

Medical occurrence

Any act, error or omission in connection with the provision of or failure to provide **health care** which results in bodily injury, death, sickness, disease, disability, shock, fright, mental anguish or mental injury to any person which is neither expected nor intended from **your** standpoint.



Member

The entity specified as the Member in the **Schedule**.

Occurrence

In respect of section 1, 2 and 3

- a) Event resulting in **personal injury** or **property damage**;
- b) **Advertisement** resulting in **advertising injury**;

which is neither expected nor intended from your standpoint.

All **personal injury**, **property damage**, or **advertising injury** arising out of continuous or repeated exposure to substantially the same general conditions will be considered to arise out of one occurrence.

In respect of Section 4 – Clinical trials

Any act, error or omission which results in **bodily injury** which is neither expected nor intended from your standpoint.

Organism

Any biological or molecular unit either living or capable of reproducing or replicating itself including animals, plants, micro-organisms, cells, cell cultures and cell organelles. Organisms also includes biological units incapable of independent sexual reproduction including viruses, viroids, sterile domesticated animals and cultured plants that are either sterile or solely capable of vegetative reproduction, as well as their seeds.

Personal injury

- a) **Bodily injury**
- b) The effects of false arrest, false imprisonment, wrongful eviction, wrongful detention, malicious prosecution or humiliation;
- c) Libel, slander or defamation or invasion of privacy;
- d) The effects of assault and battery committed for the purpose of preventing or eliminating danger to persons or property; or
- e) The effects of discrimination or harassment (unless protection in relation to this is prevented by law).

Pollutants

any contaminant, irritant or other matter or substance including but not limited to oil, smoke, vapour, soot, asbestos, asbestos-containing materials, fumes, fungi, acids, alkalis, nuclear or radioactive material, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Predecessor

Means any of:

- A.N.Z.U. Mutual Association Limited



- The Australian and New Zealand Universities Protection and Indemnity Foundation
- Unimutual Insurance (NZ) Limited,

Product

Anything (after it has ceased to be in **your** possession or control) which has been designed, specified, formulated, manufactured, grown, extracted, processed, assembled, resupplied, constructed, erected, installed, treated, serviced, altered, repaired, sold, supplied, parceled, packaged, bottled, labelled or distributed by **you** or on **your** behalf including any packaging or container of the thing including:

- a) directions, markings, labels, instructions, warnings or advice given or omitted to be given in connection with the thing; and
- b) anything in respect of which **you** are taken or deemed to be the manufacturer by operation of a law of Australia or New Zealand.

Professional Services

The services of teaching, research, consulting and similar services and/or specified in the **Schedule** under Section 2.

Property damage

- a) Physical damage to, physical loss or physical destruction of tangible property and any resultant loss of use; or
- b) Loss of use of tangible property which has not been physically damaged, lost or destroyed as long as such loss of use is caused by physical damage to or physical loss or destruction of some other tangible property.

Protected Person

In respect to Section 1 – General and Products Liability

- a)
 - i) Any present or former employee, temporary worker, honorary employee (academic or otherwise), voluntary worker, visiting academic, occupational trainee, mentee, senate, council, committee, or board member of the **member** or of an **affiliate**; or
 - ii) Any contract lecturer or contract short-term study course provider to whom the **member** or an **affiliate** has a contractual obligation to provide protection for risks that are protected under this **protection**;

whilst that person is undertaking activities as an employee or staff member of the **member** or an **affiliate**, or undertaking activities under the direction or control of, or at the request of, or which are activities relevant to that person's position with, the **member** or an **affiliate**;

- b)
 - i) Any consultant, who is either a current or previous employee of the **member** or of an **affiliate**, acting as independent consultant to the **member** or an **affiliate**, either in their own name or company name, but only if 75% of such consultant's consulting income per annum is derived from the **member** or an **affiliate**; or
 - ii) Other named consultant who **we** have agreed in writing to protect under this **protection**;

whilst that person is undertaking activities for or on behalf of the **member** or of an **affiliate**;

- c) Any student of the **member** or **affiliate** whilst under the direction or control of the **member** or of an **affiliate** or whilst undertaking any activity approved, requested or recognised by the **member** or an **affiliate**; or
- d) Any student or other person in the capacity of a member or office bearer of any club, society or association or similar body formed with the consent of and registered with the **member** or **affiliate** including:
 - Sporting clubs, societies or associations
 - Recreational clubs, societies or associations
 - Cultural clubs societies or associations
 - Political; clubs, societies or associations
 - Religious clubs, societies or associations
 - Educational & Professional clubs, societies or associations
 - General interest clubs, societies or associations
 - Faculty/Department clubs, societies or associations
 - Hobby clubs, societies or associations
 - Health support clubs, societies or associations
 - College and Hall residence clubs, societies or associations
 - Musical clubs, societies or associations
 - Alumni associations or chapters
 - Student clubs, societies, unions or associations
- (e) Any other person who uses a hall, auditorium or space which is owned or controlled by the member or affiliate, but only
 - (i) if that person does not derive any income or revenue from such use and
 - (ii) if such use is for a purpose unconnected with any business, trade or profession carried on by that person
 - (iii) if that person has entered into an agreement with the **member** or **affiliate** for the use of those premises

The protection does NOT extend to liability arising from any products sold by the other person.

In respect to Section 2 – Professional liability

- a)
 - i) Any present or former employee, temporary worker, honorary employee (academic or otherwise), voluntary worker, visiting academic, occupational trainee, mentee, senate, council, committee, or board member of the **member** or of an **affiliate**; or
 - ii) Any contract lecturer or contract short-term study course provider to whom the **member** or an **affiliate** has a contractual obligation to provide protection for risks that are protected under this **protection**;

whilst that person is undertaking activities as an employee or staff member of the **member** or an **affiliate**, or undertaking activities under the direction or control of, or at the request of, or which are activities relevant to that person's position with, the **member** or an **affiliate**;

- b) i) Any consultant, who is either a current or previous employee of the **member** or of an **affiliate**, acting as independent consultant to the **member** or an **affiliate**, either in their own name or company name, but only if 75% of such consultant's consulting income per annum is derived from the **member** or an **affiliate**; or
- ii) Other named consultant who **we** have agreed in writing to protect under this **protection**; whilst that person is undertaking activities for or on behalf of the **member** or of an **affiliate**;
- c) Any student of the **member** or **affiliate** whilst under the direction or control of the **member** or of an **affiliate** or whilst undertaking any activity approved, requested or recognised by the **member** or an **affiliate**; or
- d) Any student or other person in the capacity of a member or office bearer of any club, society or association or similar body formed with the consent of and registered with the **member** or **affiliate** including:
- Sporting clubs, societies or associations
 - Recreational clubs, societies or associations
 - Cultural clubs societies or associations
 - Political; clubs, societies or associations
 - Religious clubs, societies or associations
 - Educational & Professional clubs, societies or associations
 - General interest clubs, societies or associations
 - Faculty/Department clubs, societies or associations
 - Hobby clubs, societies or associations
 - Health support clubs, societies or associations
 - College and Hall residence clubs, societies or associations
 - Musical clubs, societies or associations
 - Alumni associations or chapters
 - Student clubs, societies, unions or associations

In respect to Section 3 Malpractice Protection

- a) any present or former employee, honorary employee (academic or otherwise), voluntary worker, occupational trainee, mentee, senate, council, committee, ethics committee or board member of the **member** or an **affiliate** and, subject to the obligations or agreement of the **member** or an **affiliate** to provide protection for risks, contract lecturer, contract short-term study course provider, whilst any such person is undertaking activities as an employee of the **member** or an **affiliate**, or undertaking activities under the direction or control of, or at the request of, or which are activities relevant to that person's position with the **member** or an **affiliate**;
- b) any student whilst under the direction or control of, or at the request of, the **member** or an **affiliate** or whilst undertaking any activity approved or recognised by the **member** or an **affiliate**; or
- c) any sub-contractor, doctor, consultant, physician, hospital or contract research organisation or nurse performing work for the **member** or an **affiliate**

In respect to section 4 Clinical Trials

- a) any present or former employee, honorary employee (academic or otherwise), voluntary worker, senate, council, committee, ethics committee or board member of the **member** or an **affiliate** and, subject to the obligations or agreement of the **member** or an **affiliate** to provide protection for risks, contract lecturer, contract short-term study course provider, whilst any such person is undertaking activities as an employee of the **member** or an **affiliate**, or undertaking activities under the direction or control of, or at the request of, or which are activities relevant to that person's position with the **member** or an **affiliate**;
- b) any student whilst under the direction or control of, or at the request of, the **member** or an **affiliate** or whilst undertaking any activity approved or recognised by the **member** or an **affiliate**;
or
- c) any sub-contractor, doctor, consultant, physician, hospital or contract research organisation or nurse performing work for the **member** or an **affiliate**;

but only in respect of a **clinical trial** undertaken by the **member** or an **affiliate** (as the case may be) and only whilst acting within the scope of their duties in connection with such **clinical trial**.

Protection

The basis of the discretionary membership benefits given to a **Member** by the **Mutual** as described in this document.

Protection period

The period specified in the **schedule** as the protection period.

Research subject

Any person participating in a **clinical trial** including their dependents, heirs, executors, administrators and legal representatives.

Retention

The amount that the **member** must contribute to each successful claim for **protection**. The retention amount is set out in the **schedule** and applies inclusive of **defence costs**.

Schedule

The latest schedule issued by **us** to **you** for this **protection** and any changes to that schedule issued by **us**.

USA or Canada

- a) the United States of America and Canada;
- b) any state or territory incorporated in or administered by, the United States of America or Canada;
or
- c) any other territory coming within or subject to the jurisdiction of the courts of the USA or the Dominion of Canada.



Vehicle

Any type of machine on wheels or on caterpillar tracks made or intended to be propelled other than by manual or animal power. For the avoidance of doubt, the term “vehicle” shall include battery powered vehicles including electrically assisted bicycles.

Veterinary occurrence

Any act, error or omission in connection with the provision or failure to provide **veterinary care** which results in bodily injury, death, sickness, disease, disability, to any animal which is neither expected nor intended from **your** standpoint.

Veterinary care

Any care, treatment, service or goods provided in respect of the physical or mental health of an animal.

Virus

a program which reproduces by attaching itself to other computer programs or ranges of the computer operating system for the purpose of creating destructive effects to the functionality of the software or a computer.

Watercraft

Any vessel, craft or thing made or intended to float on or in or travel on or through water.

Work Experience Provider

Any person or entity who, under an arrangement with the **member** or an **affiliate**, provides the opportunity or facilities for students of the **member** or an **affiliate** to undertake study, research or work experience training or activities;

Wrongful Act

Any actual or alleged breach of duty, breach of trust, neglect, error, omission, misstatement, misleading statement, mistreatment, breach of fiduciary obligation, libel, slander, wrongful trading, breach of warranty of authority or other legal liability on the part of any director or officer, jointly or severally, which arises solely by reason of the conduct of their duties or their capacity as directors and officers.

We, us, our

Unimutual Limited ABN 45 106 564 372.

You, your

- a) The **member**;
- b) Any **affiliate**; or
- c) Any **protected person**.

your business

The business described in the **schedule**.

A. General Exclusions - What Is Not Protected Under any of these Protections

We will not protect you for liability:

A.1 Asbestos

In any way connected with or as a consequence of asbestos in whatever form or quantity.

A.2 Directors' and Officers' Liability

Arising out of any **Wrongful Act** committed by any director and/or officer of the **Member** or **Affiliate** in their capacity as director and/or officer of the **Member** or **Affiliate**.

A.3 Dishonest, fraudulent or criminal acts

In any way connected with or resulting from any:

- a) dishonest, fraudulent or malicious act or omission by You; or
- b) criminal act or omission or breach of any statute committed by You with reckless or wilful intent.

This exclusion will only apply to the protected person, **affiliate** or the **member** who committed or allegedly committed such act or omission and shall not apply to other entities or people who did not commit or allegedly commit such act or omission.

A.4 Employment practices liability

In any way connected with or resulting from:

- a) discrimination against any employee, former employee or applicant for employment because of race, colour, age, sex, disability, pregnancy, marital status, sexual orientation, sexual preference or otherwise;
- b) wrongful dismissal of any employee;
- c) workplace harassment (whether sexual or otherwise) of an employee;
- d) breach of an implied term of an oral or written employment contract;
- e) wrongful demotion, failure to promote, wrongful deprivation of career opportunity, wrongful discipline, negligent evaluation or failure to grant tenure of employment to an employee;
- f) wrongful refusal to employ a potential employee;
- g) defamation arising from employment related matters;
- h) misleading or deceptive representation or advertising relating to employment;
- i) denial of natural justice to an employee concerning his or her employment

A.5 Fines or penalties or liquidated, punitive, exemplary or aggravated damages

In any way connected with or resulting from:

- a) any fines, penalties of any kind, whether imposed by law or otherwise; or
- b) any liquidated damages

A.6 Internet operations

Directly or indirectly arising out of or in any way involving **your internet operations**.

This exclusion does not apply:

- i) to liability arising out of any material which is already in print by a manufacturer in support of its product, including but not limited to, product use and safety instructions or warnings, and which is also reproduced on its website;
- ii) if **you** would have been liable despite the involvement of **your internet operations**; or
- iii) to liability directly or indirectly caused by, arising out of or in connection with:
 - a) any online teaching;
 - b) any online enrolments;
 - c) any information or material created, owned or originating from the **member** or employees or students of the **member**, which is made available from or through the **member's** website; or
 - d) any access to the **member's** internal information and computing systems which are made available through the world wide web to the **member's** employees, students, customers or others.

Clause (iii) above does not apply to any liability directly or indirectly arising out of or in any way involving a virus.

A.7 Nuclear

In any way connected with or resulting from:

- a) ionising radiations or contamination by radioactivity from the combustion of nuclear fuel or unprocessed nuclear waste arising from the combustion of nuclear fuel including any self-sustaining process of nuclear fission; or
- b) the radioactive, toxic, explosive or other hazardous properties of any nuclear weapon, explosive nuclear assembly or nuclear component of any of those.

This exclusion does not apply to liability directly or indirectly caused or contributed to by, resulting from or in connection with radioactive isotopes, natural uranium or natural thorium used for educational, research or medical purposes.

A.8 Other indemnity

For which any protection or indemnity of any kind, whether partial or total, is available to **you**:

- a) under any previous discretionary protection (or similar protections) provided by **us** (or **our Predecessors**), whether or not the **member** requested **us** (or **our Predecessors**) to exercise **our** discretion to provide protection; or
- b) under any insurance or similar indemnity agreement. However, **we** may provide **you** with protection in excess of the indemnity available to you under such insurance or indemnity agreement subject to the terms, conditions, exclusions and limits in this **protection**.



A.9 Other ventures

For activities carried out by a member other than in the name of the **member** or **Affiliate** unless Cover has been extended.

A.10 Pre-existing circumstances

For any circumstances not notified to us before the start of an Protection Year and which the **member** or **Affiliate** knew or ought to have known might give rise to a claim for Protection hereunder.

A.11 Sanctions

Notwithstanding any other terms or conditions under this **Protection**, **We** shall not be deemed to provide coverage and will not make any payments or provide any service or benefit to **You** or any other party to the extent that such cover, payment, service, benefit and/or any Business or activity of **You** would violate any trade or economic sanctions, law or regulation of Australia.

A.12 Sexual or child molestation or assault

Arising directly or indirectly out of or in connection with:

- a) any sexual molestation or assault (or attempted molestation or assault); or
- b) any child molestation or assault (or attempted molestation or assault).

Except as provided under clause 1.5.1 of Section 1 General and Products Liability

A.13 Subrogation waiver

Arising directly or indirectly from or in respect of any liability which is incurred or affected by reason of the **Member** or **Affiliate** at any time entering into a deed or agreement excluding, limiting or delaying **Your** legal rights of recovery against another.

A.14 War and terrorism

In any way connected with or resulting from:

- a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power;
- b) any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
- c) any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.

A.15 Workers' compensation and employer's liability

- a) Imposed by any law relating to workers' compensation or any industrial award or agreement or determination; or
- b) For which you are entitled to indemnity under any policy of insurance required to be taken out under any law relating to workers' compensation (or would have been had that insurance been taken out).

A.16 Other Exclusions

That is excluded by any or all other exclusions listed in each section of the protections or as noted on the schedule.

B. Additional Coverage Applicable to All Sections

B.1 Acquisitions

- a) Any **Affiliate** (including any Joint Venture) acquired or formed by the **Member**, or otherwise falling under the management control of the **Member**, during the **Protection period** shall be automatically included within this Protection from the date of such acquisition or formation.
- b) Any such **Affiliate** included hereunder by virtue of paragraph a) above which represents:
 - (i) a material change to the existing business, and/or
 - (ii) an increase in wages or turnover of more than 10% of the existing declared wages or turnover

shall be notified to Us as soon as practicable and in any event within 90 (ninety) days from the date of acquisition or formation, or from the date of assumption of management control.

We reserve the right to establish a separate contribution and terms, or to decline protection, in respect of such **Affiliate(s)** described in this paragraph b) beyond the expiry of the said 90-day period.

Provided that no protection shall be granted in respect of **Claims** for **Personal Injury, Property Damage** or **Advertising Injury** which first happened prior to the date of such acquisition, formation or assumption of management responsibility.

B.2 Court attendance costs

We agree to provide up to \$250 per day for a **Protected Person** who is or was an employee of **You** and \$500 per day for any person who is or was a principal, partner or director of **You** for court attendance costs incurred by **You**, if the employee, principal, partner or director of **You** is legally compelled to attend a civil proceeding as a witness in a **Claim** covered by this **Protection**. Our total aggregate liability during any one **Protection Period** for all court attendance shall not exceed \$50,000, and shall be part of and not in addition to the limit of liability as shown on the **Protection Schedule**.

B.3 Inquiry Costs

We may pay for **Your Inquiry Costs**, arising from an **Inquiry Body** provided that:

- a) the notice requiring the **Members** response or attendance is first received by the **Member** and notified to the **Us** during the **Protection Period**;
- b) such response or attendance arises directly from conduct allegedly committed by the **Member** in conducting **Your Business**
- c) subject to **our** written consent prior to the incurring of the **Inquiry Costs**;
- d) **We** are entitled, at **our** discretion, to appoint legal representation to represent **You** at the inquiry or hearing;
- e) regular or overtime wages, salaries or fees of the member are excluded from this protection; and
- f) **Our** total liability for all **Inquiry Costs** under this extension will not exceed in the aggregate, during the **protection Period**, AUD1,000,000

Provided that no **protection** shall be granted in respect of **Inquiry Costs** from an internal inquiry.

B.4 Spousal liability

If a **Claim** against a **Protected Person** includes a **Claim** against such **Protected Person's** spouse solely by reason of:

- a) such spouse's legal status as a spouse of such **Protected Person**; or
- b) such spouse's ownership interest in property which the claimant seeks as recovery for Claims made against such Protected Person, then the spouse's legal liability for compensation resulting from such Claim will be treated for the purposes of this Protection as the liability of You.

This extension does not apply to the extent the Claim alleges any occurrence, act, error or omission by such spouse.

C. General Claims Conditions

These claims conditions apply to all sections of these **protections** unless stated otherwise.

C.1 Member only

Only the **member** may apply to **us** for protection whether for the benefit of the **member**, **affiliate** or any **protected person**.

C.2 Series of claims

Applicable to Occurrence Section 1

All Claims arising directly or indirectly out of or in connection with the same source or originating cause shall be considered to constitute a single Claim, for the purposes of the limit of Protection and the Retention.

Applicable to all 'claims made' Sections within Sections 1,2 & 3

All **claims** attributable to the same act, error or omission or series of acts, errors or omissions consequent upon or attributable to one source or original cause will be regarded as one **claim**. That **claim** is deemed to have been first made against the **you** when the first **claim** attributable to the same act, error or omission or series of acts, errors or omissions consequent upon or attributable to the same source or original cause is made against **you**.

Applicable to all claims made under Section 4

All **bodily injury** resulting or alleged to have resulted from the same **clinical trial** shall be considered as resulting from one **occurrence**. All **claims** arising from the same **clinical trial** are deemed to have been first made against **you** at the time the first **claim** arising from that **clinical trial** is made against **you**.

C.3 Notification of circumstances

Applicable to all 'claims made' Sections within Section 1,2 3 and 4 If, during the **protection period**, **you** become aware of any fact or circumstance that might give rise to a **claim** against **you** and elect to notify **us** of that fact or circumstance during the **protection period** or within 30 days after its expiry, any **claim** arising from that notified fact or circumstance may be taken by **us** to be a **claim** made against **you** in the **protection period** and notified to **us** in the **protection period**.

C.4 Notification of claims

The **member** must notify **us** in writing as soon as possible of:

- a) any **occurrence** (for Sections 1 and 4 of these **protections**), **medical occurrence**, **veterinary occurrence** (for Section 3 of these **protections**) or any fact or circumstance which might result in a **claim** against **you** for which protection may be granted under this **protection**, whether or not **you** believe that any **claim** arising out of that **occurrence**, **medical occurrence**, **veterinary occurrence**, fact or circumstance might fall below the applicable **retention**; and
- b) any **claim** (including **claims** under Section 2 of these **protections**) made against **you** whether or not **you** believe that the **claim** amount might fall below the applicable **retention**.

C.5 Other claims procedures

- a) **You** must not make any admission of liability or offer, promise or payment (including an agreement to pay **defence costs**) without **our** written consent. However, payments can be made as long as:
 - i) such payments do not exceed the **retention**; and
 - ii) such payments are made without any admission of liability.
- b) **We** may, at our discretion, take over and conduct the defence or settlement of any **claim** in **your** name. **We** may also bring, in **your** name, any claim or proceeding against another person from whom **we** may recover, for **our** benefit, any amount paid to **you** under this **protection**.
- c) In respect of every **claim**, **you** must:
 - i) give **us** any evidence, information, assistance or supporting documentation **we** need about the **claim** or in any claim **we** may have against another person; and
 - ii) ensure that **you** preserve all property, products, appliances, plant or other things that may assist in the investigation or defence of the **claim** or in any claim **we** may have against another person. Until **we** have had an opportunity of inspection, **you** must not carry out any alteration or repair without **our** written consent.

D. Other General Conditions

These other general conditions apply to all sections of these **protections** unless stated otherwise.

D.1 Cancellation

This **protection** may be cancelled by **us** or the **member** in accordance with **our** constitution and rules.

D.2 Change of risk

The **member** must immediately notify **us** if the risk increases, because of a change in **your business**, **your professional services**, methods or procedures or a change in the risk. In particular, the **member** must notify **us** in writing if:

- a) the **member**, **affiliate** or any **protected person** goes into voluntary bankruptcy, receivership or liquidation or fails to pay debts or breaches any other obligation giving rise to the appointment of a receiver or bankruptcy or wind-up proceedings; or
- b) **your business** or **your professional services** changes to a material extent.

We will not protect this increased risk unless **we** agree to do so in writing.

We are entitled to change the terms and conditions of these **protections** at **our** discretion and to levy additional contributions for protection of any increased risk.

D.3 Changes to these protections

No change in, or modification of, these **protections** will be effective unless it is issued in writing by **us**.

D.4 Inspection

We may at any reasonable time carry out an inspection of the premises owned or occupied by **you**. If **we** discover:

- a) any defect in property or any ongoing breach of statutory requirements causing unnecessary danger; or
- b) any operation or process which is potentially and unreasonably dangerous;

we may give thirty (30) days written notice to the **member** requiring that such dangerous property, operation or process be remedied. If **you** fail to implement **our** requirements, all protection in connection with such property, operation or process will be suspended until such time as the remedial action has taken place.

D.5 Insurance or other indemnity

With respect to any **claim**, if there is any other avenue(s) of indemnity available to **you**, such as insurance, covering the same liability, the **member** must promptly notify **us** of the existence of such insurance or other indemnity providing full details including:

- a) the identity of the provider of such indemnity or insurance;
- b) the policy or agreement number; and
- c) such further information as **we** may require.

Subject to the terms and conditions of these **protections**, **we** will only consider providing protection for any liability which exceeds the amount of that insurance or indemnity.

D.6 Legal representatives

In the event of **your** death, **we** may consider providing protection to **your** legal personal representatives, but only for liability protected in accordance with the terms, conditions, exclusions and limits of this **protection**. The legal personal representatives must, as though they were **you**, observe, fulfil and be subject to the terms, conditions, exclusions and limits of this **protection** to the extent they can apply to them.

D.7 Limit of protection

If two or more protections provided by **us** under section 2 Professional Liability Protection, Section 3 Malpractice Protection and Section 4 Clinical Trials Protection apply to the same **claim** against **you** (whether **you** are protected under these **protections** or under similar protections provided as discretionary membership benefits by **us**), the maximum amount of protection provided by **us** under all such protections for such **claim**, is the highest limit of protection of all such protections.

D.8 Reasonable precautions

You must take reasonable precautions to:

- a) prevent:
 - (i) **personal injury, property damage and advertising injury** (for Section 1 of these **protections**);
 - (ii) an **occurrence** (for Sections 2 and 4 of these **protections**); or
 - (iii) a **medical occurrence** or **veterinary occurrence** (for Section 3 of these **protections**);
- b) adhere to the protocols for each **clinical trial** (for Section 4 of these **protections**); and
- c) comply with, and use **your** best endeavours to ensure that all employees and contractors comply with, statutory obligations, by-laws, or regulations imposed by a public authority about the safety of people and property.

D.9 Imputation

If any of **you**:

- a) fail to disclose material facts or circumstances; or
- b) make a misrepresentation to **us** before the commencement of the **protection period**; or
- c) fail to comply with any terms or conditions of these **protections**;

that act or omission will not be taken to prejudice the rights of any other of **you**.

D.10 Assignment of Rights of recourse

If **we** make a payment to **you** under these protections, the **member** agrees to, and shall procure **affiliates** or **protected persons** to, assign or transfer all of their rights of recourse against third parties to **us**. The **member** authorises **us**, and shall procure **affiliates** or **protected persons** to authorise **us**, to use their name in proceedings relating to the payment.

D.11 Waiver of Subrogation

We agree to waive all rights of subrogation under this **Protection** against each of the parties described as **You**. However, where a **You** are protected from liability protected against hereunder by any other Policy of protection or insurance or indemnity **Our** subrogation right is not waived to the extent and up to the amount of cover provided by such other policy of protection or insurance or indemnity.

In respect of clauses D.10 and D.11, **We** will not exercise rights of subrogation against any employees of the **member** or **affiliates**, or require the assignment or transfer of any rights the **member** may have against its employees or the **affiliate** against its employees other than in cases where there is an allegation of a dishonest, fraudulent, criminal or malicious act or omission by the employee. The term "employee" shall include ex-employees and any person acting or who has acted as an employee of, or consultant to, the **member** or **affiliate** without a contract of service or employment.

D.12 Valuation and foreign currency

All contributions, limits of liability, Retentions, and other amounts referred to in this **Protection** are expressed and payable, where due, in Australian currency. Unless where otherwise provided, if judgment is rendered, settlement is denominated or an element of loss under this **Protection** is stated in a currency other than Australian dollars, payment under this **Protection** shall be made in Australian dollars at the cash rate of exchange for the purchase of Australian dollars as used by Westpac Bank on the date the final judgment is reached, the amount of the settlement is agreed upon or the element of loss is due, as the case may be.

SECTION 1 - GENERAL AND PRODUCTS LIABILITY PROTECTION

1.1 What is protected

The **member** has the right to claim **protection** for any amount that you are legally liable to pay as **compensation** including claimants' costs and expenses for:

- a) **personal injury** or **property damage** which first occurs during the **protection period** and caused by an event in connection with **your business**; or
- b) **advertising injury** caused by **your advertisement**, in connection with **your business**, first printed, stated, published, broadcast, exhibited, transmitted or displayed during the **protection period**.

For the purposes of clause 1.1(a):

- i) any latent injury, latent disease, latent sickness or latent disability is deemed to have first occurred on the day that it was first medically diagnosed; and
- ii) any latent damage or damage from gradual deterioration, is deemed to have first occurred on the day that it was first discovered.

1.2 If your claim is successful

We may pay for:

- a) the compensation that **you** are legally obliged to pay; and
- b) **your defence costs**.
- c) **your enquiry costs**

1.3 Maximum protection

The most **we** will pay under this **protection** for all claims arising out of any one **occurrence** is the **limit of protection** as shown in the **Schedule**.

However, the most **we** will pay in total for all claims arising out of or in any way connected with **your products** for the **protection period** is the **limit of protection**.

The **retention** is not included in the **limit of protection**. However, **your** additional protections are all included in the **limit of protection**.

Your **Defence costs** are payable in addition to the **limit of protection**

1.4 Additional protections

The following additional protections are subject to the definitions, conditions, exclusions and other terms of this protection other than as amended by the additional protection clauses.

1.4.1 Cross liability

If there is more than one of **you**, each of **you** will be considered as a separate and distinct entity. This **protection** will apply to each of **you** as if separate protection had been issued to each of **you**.

However, nothing in this additional protection will increase the **limit of protection** or the **retention**.

This additional protection shall not apply to liability for claims arising out of **injurious falsehood**.

1.4.2 Excess protection

We may protect **you** for **your** legal liability to pay compensation for **personal injury** or **property damage** in excess of the limits available under the following underlying insurances (**underlying policies**):

- a) Motor vehicle third party property damage and CTP gap insurance (meaning insurance covering **you** against liability for **personal injury** caused by a **vehicle** which is not covered under the Compulsory Third Party insurance).
- b) Marine charterer's liability (non-owned watercraft chartered).
- c) Non-owned aviation liability (aircraft chartered together with the pilot).
- d) Contract works public liability.

The following conditions apply to this additional protection:

- i) The **underlying policy** must remain in full force and effect during the **protection period** and indemnify **you** for the **personal injury** or **property damage**.
- ii) If the limit of any **underlying policy** is less than \$5,000,000 for any one **occurrence**, any protection provided under this additional protection will only be in excess of \$5,000,000 for each **occurrence**.
- iii) **We** must be given the opportunity to be associated with the defence or settlement of any claim against **you** for which protection may be available under this additional protection.
- iv) This additional protection only applies to **your** legal liability to pay compensation for **personal injury** or **property damage** which would be protected under this **protection** if:
 - a) exclusion 1.6.2 (a) did not apply to liability, for which **you** are indemnified by the **underlying policy** referred to in (c) above, arising out of the use of any **aircraft** not owned or operated by **you** if the aircraft was chartered by **you** together with the pilot for the purpose of **your business**;
 - b) exclusion 1.6.2 (b) did not apply to liability, for which **you** are indemnified by the **underlying policy** referred to in (b) above, arising out of the use of any **watercraft** not owned or operated by **you** if the **watercraft** was chartered by **you** together with master and crew for the purpose of **your business**;
 - c) exclusion 1.6.4 did not apply to liability for which **you** are indemnified by the **underlying policy** referred to in (d) above; and
 - d) exclusion 1.6.18 did not apply to liability for which **you** are indemnified by the **underlying policy** referred to in (a) above.

1.4.3 New Zealand fire authority costs and expenses

We may protect **you** for **your** legal liability to pay:

- a) any costs and expenses charged by any fire authority; or
- b) any costs and expenses claimed by any other party in order to protect their property from fire;

pursuant to the Forest and Rural Fires Act 1977 (New Zealand) arising from an **occurrence** in connection with **your business**.

This additional protection does not apply to:

- i) any levies for expenditure under sections 44 and 45 of the Forest and Rural Fires Act; or
- ii) any fines or penalties imposed under the Forest and Rural Fires Act.

1.4.4 Protection to principals

We may provide protection to a principal for whom the **member** or an **affiliate** (as the case may be) has contracted to provide service or work in connection with **your business**, as if they were **you**.

This additional protection only applies if the principal's legal liability for **personal injury**, or **property damage** arises as a result of an **occurrence** in the performance of work or the provision of service by **you** in connection with **your business**.

The Protection is extended to provide protection to a landlord in respect of any claim brought in respect of personal injury or property damage caused by an occurrence during the protection period, arising directly and solely out of the negligent acts, errors or omissions of the **member** or **affiliate** (as the case may be). This extension does not extend to any negligent acts, errors or omissions of the landlord its staff or agents themselves.

1.4.5 Protection to work experience providers

We may provide protection to any **work experience provider** as if they were **you**.

This additional protection only applies:

- a)
 - i) if the **member** or **affiliate** (as the case may be), has a contractual obligation to include the **work experience provider** under this protection; and
 - ii) to liability to pay compensation for **personal injury** or **property damage** which arises as a result of any negligent act, error or omission of the student in the course of the study, research or work experience training or activities;
- b) to liability to pay compensation for **personal injury** sustained by a student or **property damage** to property belonging to the student in the course of the student undertaking the study, research or work experience training or activities; or
- c) to liability to pay compensation for **personal injury** or **property damage** arising out of work experience, as required under section 9 subsection (1) of the Education (Work Experience) Act 1996 (Queensland).

This additional protection does not apply if the student is employed by the **work experience provider** or otherwise receives any remuneration from the **work experience provider**.

For the purpose of this additional protection in respect of any student receiving board and lodgings from the **work experience provider** during their study, research or work experience training or activities, receiving of board and lodgings from the **work experience provider** will not be deemed to be receiving remuneration from the **work experience provider**.

1.4.6 Punitive and exemplary damages in New Zealand

We may protect **your** legal liability to pay for punitive or exemplary damages awarded by a court of competent jurisdiction in New Zealand in relation to **bodily injury** suffered by any person which first occurs during the **protection period** and was:

- a) neither expected nor intended from **your** standpoint; and
- b) caused by an event in connection with **your business**.

The most **we** will pay under this additional protection in the aggregate for the **protection period** is \$1,000,000.

For the purpose of this additional protection, general exclusion A.5 does not apply.

1.4.7 Contingent Employers' Liability

Notwithstanding anything herein to the contrary we may protect your liability for **Bodily Injury** to **your** employees whilst employed arising out of and in the course of their employment or engagement by **you** for **your Business** insofar as claims for such **Bodily Injury** are not:

- a) payable by a workers compensation or any other social insurance or arising from any liability imposed by an industrial award or agreement. However, claims arising out of **your** failure to contract a compulsory insurance remain excluded;
- b) payable under local valid and collectable insurances arranged in respect of such **Bodily Injury** to **employees** or excluded due to a breach of condition of such insurances.

1.4.8 Crisis Loss

We may compensate **you** for any **Crisis Loss** arising from a **Crisis** during the **protection period** provided that the **Member** shall give notice to **Us** as soon as possible of any potential **Crisis Loss**.

The maximum **we** will pay for **Crisis Loss** in the aggregate during the protection period shall not exceed AUD \$250,000.

This additional protection does not apply to:

- 1. any **Crisis Loss** which occurred prior to the commencement of the **Protection Period**
- 2. any **Crisis Loss** occurring in the USA or Canada

1.5 Additional protections provided on a 'claims made' basis

The following additional protections are subject to the definitions, conditions, exclusions and other terms of this **protection** other than as amended by the additional protection clauses.

1.5.1 Sexual or child molestation or assault

We may protect **you** for **your** legal liability to pay compensation in connection with any **claim** first made against you during the **protection period** (and notified in writing to **us** during the **protection period** or within 30 days after its expiry) for **claims** arising from or related to **bodily injury** which:

- a) arose out of sexual or child molestation or assault (or attempted molestation or assault) first committed or alleged to have been first committed after 31st December 1994;
- b) was neither expected nor intended from **your** standpoint; and
- c) was caused by an act, error or omission in connection with **your business**.

This additional protection does not apply to:

- i) any liability for which **you** are entitled to indemnity under any insurance policy;
- ii) any liability arising from or in any way connected with any fact or circumstance of which **you** became aware prior to the commencement of the **protection period** and which **you** knew or reasonably should have known was likely to give rise to a **claim** against you.
- iii) any person who committed (or is alleged to have committed) the molestation or assault (or attempted molestation or assault) however, **we** will reimburse such person for reasonable **Defence Costs** incurred in the event such person is by final adjudication found not to have committed or participated in any sexual or child molestation or assault (or attempted molestation or assault).
- iv) any **claim** which is subject to the jurisdiction of the courts of **USA** or **Canada**.

The most we will pay under this additional protection in the aggregate for the **protection period** is AUD \$10,000,000.

For the purpose of this additional protection, exclusion A.12 does not apply.

1.5.2 Continuous protection

For the purposes of additional protection 1.5.1, if:

- a) a **claim** which should have been notified by the **member**; or
- b) a fact or circumstance which the **member** could have elected to notify;

to **us** or **our Predecessors** under an earlier discretionary protection issued by **us** or **our Predecessors**, providing the same or similar protection as provided under additional protection 1.5.1, but the **member** failed to notify or opted not to notify within the relevant notification period under such earlier discretionary protection, **we** may accept notification of such **claim**, fact or circumstance under this **protection** if the **member** notifies **us** in writing of such **claim**, fact or circumstance during the **protection period**.

This additional protection only applies if **you** have been continuously protected, without interruption, under discretionary protection issued by **us** or **our Predecessors**, for liabilities which are protected under additional protection 1.5.1, between the date:

- c) such **claim** was first made against you; or
- d) **you** first became aware of such fact or circumstance;

whichever is earlier and the commencement of the **protection period**.

We will reduce the amount of protection for claims under this additional protection by the amount that represents any prejudice **we** have suffered due to such late notification.

This additional protection only applies if such **claim** or liability arising out of such fact or circumstance would have been protected under the earlier discretionary protection current on the date:

- e) such **claim** was first made against **you**; or
- f) **you** first became aware of such fact or circumstance;

but for the late notification and is also protected under this **protection**.

The most **we** will pay under this additional protection is the lesser of the limits applicable under additional protection 1.5.1 or the limit available under such earlier discretionary protection.

For the purpose of this additional protection, exclusion (ii) under additional protection 1.5.1 does not apply.

1.6 What is not protected

We will not protect **you** for liability:

1.6.1 Aircraft, hovercraft, watercraft

Arising out of:

- a) the selling, leasing, hiring or manufacturing of **aircraft**;
- b) any **products** that are used, with **your** knowledge, in any **aircraft** or aerial device.

1.6.2 Aircraft, hovercraft, watercraft

Arising out of the ownership, maintenance, possession, operation, use or legal control by **you** of any:

- a) **aircraft** or **hovercraft**; or
- b) **watercraft** exceeding 10 metres in length (other than rowing hulls).

1.6.3 Assumed liability

Arising out of or as a result of any liability assumed by **you** under any warranty, guarantee, contract or agreement.

This exclusion does not apply:

- a) if **you** would have been liable in the absence of such warranty, guarantee, contract or agreement; or
- b) to liability assumed by the **member** or **affiliate** for loss, damage or liability caused by, in connection with or arising out of the negligence of any students or employees of the **member** or an **affiliate**.
- c) to liability assumed by **You** under any **Incidental Contract**

1.6.4 Building activities

Arising out of or in any way connected with any:

- a) construction, erection, repair, service or treatment of buildings or alterations or additions (including partial dismantling of existing structures) to buildings where the value of such work exceeds \$2,000,000 in value; or
- b) demolition of buildings exceeding 10 metres in height.

This exclusion does not apply:

- i) once the building has been put to use after the Certificate of Practical Completion has been issued for the whole of the work or otherwise accepted by the Member
- ii) to those parts of the building that have been put to use after the date of practical completion of the works for those parts of the building.

1.6.5 Certain products

Arising out of:

- a) any **products** developed by or under a joint venture or similar agreement between **you** and other people or entities except for **your** share of any liability for **personal injury**, or **property damage**;
- b) any of the following **products**:
 - i) herbicides or pesticides;
 - ii) **products** designed, warranted or represented to promote growth or control diseases in growing crops or plants;
 - iii) explosives;
 - iv) fireworks;
 - v) ammunition and armaments; or
 - vi) lead **products**; or
- c) any of the following **products**:
 - i) pharmaceuticals of every description, it being understood and agreed that for the avoidance of doubt, the term “pharmaceuticals” shall not include herbal tinctures formulated by any health clinic belonging to a **Member**;
 - ii) stockfeed **products** other than primary grown **products** to be used as stockfeed;
 - iii) medical equipment for direct application to or on humans;
 - iv) human implants; or
 - v) surgical, optical or ophthalmic instruments.

This exclusion 1.6.5(c) does not apply if:

- (aa) the turnover derived from the relevant **product** category does not exceed A\$1,000,000 (or NZ\$1,000,000 for a **member** or **affiliate** incorporated in New Zealand or created by legislation in New Zealand) for the **protection period**; and
- (bb) the main purpose of the **product** is research and development; and
- (cc) the **product** is not a product of joint ventures or commercial companies in which **you** are a partner, participant or shareholder; and
- (dd) the **product** is not involved or used in any **clinical trial**; and
- (ee) the **product** is not exported to the **USA or Canada**; and
- (ff) the **product** is not supplied from any of **your** operations in the **USA or Canada**.

1.6.6 Clinical trial

For **personal injury** to any **research subject**.

1.6.7 Faulty Workmanship

Any liability for the cost of re-performing, completing, correcting or improving any work done or undertaken by **You**

1.6.8 Genetically modified organisms

- a) Directly or indirectly arising out of, resulting from, in consequence of or in any way connected with the modified genetic component of a **GMO**, any protein derived from that component, or any thing containing such a component or protein.

This exclusion 1.6.8(a) does not apply to liability for:

- i) **bodily injury** or
- ii) physical damage to tangible property;

if **you** have complied with all relevant legal and official regulations, approval conditions and obligations at each stage of **handling the GMO**, including any necessary actions, precautions or obligations to:

- iii) contain and prevent unintended or unlawful contamination;
 - iv) ensure intended and agreed use, application and distribution;
 - v) ensure monitoring, traceability and labelling;
 - vi) monitor genetic stability and provide adequate characterisation; and
 - vii) inform and instruct third parties to ensure compliance with threshold limits, demarcation provisions, and conditions concerning the separation of materials.
- b) Arising out of, as a consequence of or in any way connected with any blending, mixing, comingling or contamination of other products or materials by a **GMO** or **GMOs**, the modified genetic component of a **GMO**, any protein derived from that component or anything containing such a component or protein;

This exclusion 1.6.7(b) does not apply in respect of liability for injury or damage to livestock.

- c) For damage to or alteration of organisms resulting from unintended, non-agreed or improper pollination or insemination by a **GMO** or **GMOs** the modified genetic component of a **GMO**, any protein derived from that component or anything containing such a component or protein;
- d) For inadequate, ineffective or insufficient performance of the modified genetic component of a **GMO**, any protein derived from that component or any product containing such a component or protein;
- e) For pure financial or economic loss directly or indirectly arising out of, resulting from, in consequence of or in any way connected with the modified genetic component of a **GMO**, any protein derived from that component, or any thing containing such a component or protein; or
- f) For environmental impairment, ecological damage or damage to biodiversity directly or indirectly arising out of, resulting from, in consequence of or in any way connected with the modified genetic component of a **GMO**, any protein derived from that component, or any thing containing such a component or protein.

1.6.9 Libel, slander, defamation

For libel, slander, defamation, injurious falsehood or invasion of privacy where the publication or statement was made by **you** or at **your** direction and **you** knew the publication or statement, or part of it, was false.

1.6.10 Loss of use

Directly or indirectly caused by, arising from or in connection with loss of use of tangible property, which has not been physically damaged or destroyed, resulting from:

- a) a delay in or lack of performance by **you**, or on **your** behalf, under any contract or agreement; or
- b) the failure of **your products** to meet the level of performance, quality, fitness or durability, either expressly warranted or implied by **you**.

This exclusion does not apply to loss of use of other tangible property resulting from sudden and accidental physical damage to or destruction of **your products** after **your products** have been put to use by any person other than **you**.

1.6.11 Pollution

- a) Arising out of, resulting from or in consequence of any discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials or other irritants, contaminants or **pollutants** into or upon land, the atmosphere or any watercourse or body of water.

This exclusion 1.6.11(a) does not apply to liability arising out of any discharge, dispersal, release or escape happening outside the **USA or Canada** if such discharge, dispersal, release or escape is caused by a sudden, identifiable, accidental, unexpected and unintended happening from **your** standpoint which takes place in its entirety at a specific time and place; and

- b) For any expenses associated with the prevention of the contamination or pollution referred to in clause 1.6.11(a).

This exclusion 1.6.11(b) does not apply to liability for those expenses arising out of, resulting from or in consequence of any discharge, dispersal, release or escape happening outside the **USA or Canada** and caused by a sudden, identifiable, accidental unexpected and unintended happening from **your** standpoint which takes place in its entirety at a specific time and place.

1.6.12 Product recall, repair, replacement

Directly or indirectly arising out of, caused by or in connection with the withdrawal, inspection, repair, replacement or loss of use of **your products**, or of any property of which **your products** form a part, if those **products** are withdrawn from the market or from use because of any known or suspected defect or deficiency.

1.6.13 Professional liability

- a) For any breach of duty owed in a professional capacity; or
- b) Directly or indirectly based upon, attributable to or in consequence of a **medical occurrence** or **veterinary occurrence**.

This exclusion does not apply, to the extent permitted by law, to the rendering of or failure to render professional medical advice by any registered health professionals employed or engaged by the **member** or **affiliate** (as the case may be) to provide first aid or health care for their staff or students (including immunisation campaigns) on the **member's** or **affiliate's** premises.

1.6.14 Property damage to products

For property damage to **your products**.

1.6.15 Property in physical or legal control

For **property damage** to property in **your** physical or legal control.

This exclusion does not apply to:

- i) **property damage** to premises or part(s) of premises (including contents in those premises) leased or rented to **you** or temporarily occupied by **you** unless that property is insured under a policy of insurance under which **you** have a right to claim or would have if **you** had complied with your contractual obligation to insure the property;

This clause 1.6.15(i) does not apply to liability for **property damage** arising from normal wear and tear, depreciation or damage not unexpected in connection with occupancy.

- ii) **property damage** to any **vehicle** (not belonging to or used by **you** or on **your** behalf) in **your** physical or legal control where that **property damage** occurs whilst the **vehicle** is in a car park owned or operated by **you**; or

- iii) the first \$2,500,000 for each **occurrence** in respect of other property unless that property is insured under a policy of insurance under which **you** have a right to claim or would have if **you** had complied with your contractual obligation to insure the property.

This clause 1.6.15(iii) does not apply to liability for **property damage** arising from normal wear and tear, depreciation or damage not unexpected in connection with the use of any property.

1.6.16 Property owned by you

For **property damage** to property owned by **you**.

This exclusion does not apply to your liability for loss of use of third party tangible property that has not been physically damaged or destroyed, caused by the physical damage to or destruction of tangible property owned by **you**.

1.6.17 USA or Canada

- a) Arising out of or in any way connected with:

- i) **advertising injury** relating to any **advertisement** printed, stated, published, broadcast, exhibited, transmitted or displayed; or

- ii) **personal injury**, or **property damage** occurring;

in the **USA** or **Canada**.

- iii) arising out of or in any way connected with any **claims** or local proceedings instituted against you in the **USA** or **Canada** (or any other territory coming within or subject to the jurisdiction of the courts of the USA or Canada) including the enforcement by courts of any other country of any judgment originally obtained in any court of the **USA** or **Canada**.

This exclusion 1.6.17(a) does not apply to any liability arising out of or in any way connected with:

- (aa) students of the **member** or an **affiliate** whilst undertaking work experience, student placement, study, research, lecture, lecture tour or other related activities in the **USA** or **Canada** as part of their study course with the **member** or an **affiliate**;

- (bb) employees, honorary employees, contract lecturer or contract short-term course provider of the **member** or an **affiliate**, who are normally resident outside the USA or Canada, visiting or temporarily residing in the **USA** or **Canada** for the purpose of study, research (including presentation of any research paper), lecture or lecture tour if the visit or stay is carried out under the auspices of, and with the prior knowledge and consent of, the **member** or **affiliate** (as the case may be);

- (cc) employees, honorary employees of the **member** or an **affiliate** or member of the **member's** or an **affiliate's** board, council, senate or committee visiting or temporarily residing in the **USA or Canada** for the purpose of the **member's** or an **affiliate's** business or otherwise representing the **member** or an **affiliate**; or
 - (dd) **products** exported to the **USA or Canada** from Australia or New Zealand (or their external territories).
 - (ee) persons normally resident in the United States of America and/or Canada employed by the **member** or **affiliate** for the provision of any authorised **member** or **affiliate** activities in the United States of America and/or Canada.
- b) Arising out of or in any way connected with the operation, occupation or use by **you** of any premises or property in the **USA or Canada** in which, or from which, any of **your products** (or part of them) are manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed.
- c) Of any **affiliate** domiciled or incorporated in the **USA or Canada**.

The total amount payable in respect of a claim under (a) (iii) including **defence Costs** will not exceed the **Limit of Protection**.

1.6.18 Vehicles

Arising out of ownership, maintenance, possession, operation, use or legal control by **you** of any **vehicle**:

- a) which is, or is required to be, registered or licensed;
- b) in respect of which insurance is required by any legislation relating to motor vehicles; or
- c) which is insured in respect of the same liability.

To the extent permitted by law, clauses (a) and (b) do not apply to liability for **personal injury**, or **property damage** caused by, arising out of or happening in connection with:

- i) the delivery or collection of goods to or from any **vehicle** unless the liability is insured under a policy of insurance;
- ii) any tool, plant or equipment forming part of or attached to or used in connection with any **vehicle**; or
- iii) any **vehicle** primarily intended for use within the premises of the **member** or **affiliate**.
- iv) electrically assisted bicycles used off campus

To the extent permitted by law, clauses (a), (b) and (c) of this exclusion 1.6.18 do not apply to any liability for **personal injury** or **property damage** caused by, arising out of or happening in connection with any **vehicle** rented by **you**. **We** will only provide **protection** for rented **vehicles** if **you** took out insurance for the rented **vehicle** at the time of rental (if that option was available) but only for amounts in excess of the maximum insurance cover available for that rental **vehicle** (whether or not that maximum cover was taken out by **you**). If there was no option available to take out insurance cover for that rented **vehicle**, this **protection** will not provide any protection for that rented **vehicle**.

SECTION 2 - PROFESSIONAL LIABILITY PROTECTION

2.1 What is protected

The **member** has the right to claim **protection** for any amount that **you** are legally liable to pay as compensation and claimants' costs and expenses as a result of any **claim** first made against **you** during the **protection period**, and notified in writing to **us** during the **protection period** or within 30 days after its expiry, in respect of **civil liability** for any loss to a third party for which a **member or Affiliate** is held liable in connection with **your Professional Services**

2.1.1 Protection clarification

To avoid doubt, **claim** referred to in clause 2.1 above includes **claims**:

- a) for unintentional breach of a contract;
- b) against the **member** or **affiliate** (as the case may be) in connection with a joint venture (including co-operative research centre) in which the **member** or **affiliate** is a partner or participant but only for that portion of any legal liability attaching to the **member** or **affiliate** (as the case may be);
- c) arising from the loss or deprivation of, or damage to, **documents**:
 - (i) in **your** physical custody or control; or
 - (ii) whilst in transit until delivery to the addressees (or their representatives) anywhere in the world;
- d) for unintentional breach or contravention of the Competition and Consumer Act 2010 (Cth), the Fair Trading Act 1987 (NSW), the Fair Trading Act 1985 (Victoria) or similar legislation enacted by the other states or territories of the Commonwealth of Australia or the Dominion of New Zealand.
- e) Libel or slander, provided that:
 - (i) the libel or slander is committed by the Member or Affiliate in the conduct of their Professional Services; and
 - (ii) the Member or Affiliate did not intend to commit the libel or slander with express malice.
- f) any dishonest, fraudulent, criminal or malicious act or omission (including any dishonest, fraudulent, criminal or malicious act or omission of any person, firm or company directly appointed by and acting on **your** behalf) provided that this Section does not apply to the person or entity who committed or allegedly committed such act or omission.
- g) Unintentional breach of any duty of confidentiality owed to a Student arising at law including any unintentional breach of the Privacy Act 1988 (Cth), Privacy and Personal Information Protection Act 1998 (NSW), Information Privacy Act 2000 (Vic) or similar privacy legislation, including any amendment, consolidation or re-enactment of such legislation.

2.2 If your claim is successful

We will pay for:

- a) the compensation that you are legally obliged to pay; and
- b) your **defence costs**.
- c) your **enquiry costs**

2.3 Maximum protection

The most **we** will pay under this **protection** for all claims for the **protection period** is the **limit of protection** as shown in the **Schedule**.

The **retention** is not included in the **limit of protection**. However, **your** additional protections are all included in the **limit of protection**.

Your **Defence costs** are payable in addition to the **limit of protection**

2.4 Additional protections

The following additional protections are subject to the definitions, conditions, exclusions and other terms of this **protection** other than as amended by the additional protection clauses.

2.4.1 Continuous protection

- If:
- a) a **claim** which should have been notified by the **member**; or
 - b) a fact or circumstance which the **member** could have elected to notify;

to **us** or **our Predecessors** under an earlier discretionary protection issued by **us** or **our Predecessors** but the **member** failed to notify or opted not to notify within the relevant notification period under such earlier discretionary protection, **we** may accept notification of such **claim**, fact or circumstance under this **protection** if the **member** notifies **us** in writing of such **claim**, fact or circumstance during the **protection period**.

This additional protection only applies if **you** have been continuously protected, without interruption, under discretionary protection issued by **us** or **our Predecessors** between the date:

- c) such **claim** was first made against **you**; or
- d) **you** first became aware of such fact or circumstance;

whichever is earlier and the commencement of the **protection period**.

We may reduce the amount of protection for claims under this additional protection by the amount that represents any prejudice **we** have suffered due to such late notification.

This additional protection only applies if such **claim** or liability arising out of such fact or circumstance would have been protected under the earlier discretionary protection current on the date:

- e) such **claim** was first made against **you**; or
- f) **you** first became aware of such fact or circumstance;

but for the late notification and is also protected under this **protection**.

The most **we** will pay under this additional protection is the lesser of the **limit of protection** for this **protection** and the limit available under such earlier discretionary protection.

For the purposes of this additional protection, exclusion 2.5.10 does not apply.

2.4.2 Cross liability

If there is more than one of **you**, each of **you** will be considered as a separate and distinct entity and this **protection** will apply to each of **you** as if separate protection had been issued to each of **you**. However, nothing in this additional protection will result in an increase in the **limit of protection** or the **retention** in respect of any one, **claim** or in the aggregate for all **claims** for the **protection period**.

2.4.3 Extended reporting period

You may continue to notify **Us** of **Claims** up to 30 days after the expiry of the **Protection Period**, but only **Claims** first made against **You** during the **Protection Period** and based on any act, error or omission committed or alleged to have been committed prior to expiry of the **Protection Period**.

Any notification to **Us** during this 30 day reporting period will be deemed to have been first notified to **Us** during the **Protection Period**.

2.4.4 Protection to principals

We may provide protection to a principal for whom the **member** or **affiliate** (as the case may be) has contracted to provide service or work in connection with **your professional services**, subject to the terms, conditions, exclusions and limits applicable to this **protection**.

This additional protection only applies if, under the contract between such principal and the **member** or **affiliate** (as the case may be), the **member** or **affiliate** (as the case may be) has assumed the responsibility to include such principal under this **protection** and the principal agrees to be bound by the terms, conditions, exclusions and limits applicable to this **protection**.

This additional protection only applies to the principal's legal liability which arises from **your** negligent act, error or omission in the performance of work or the provision of service by **you** in connection with **your professional services**.

2.4.5 Protection to work experience providers

We may provide protection to any person or entity (the **work experience provider**) who, under an arrangement with the **member** or an **affiliate**, provides the opportunity or facilities for **member's** or **affiliate's** students to undertake study, research or work experience training or activities, subject to the terms, conditions, exclusions and limits applicable to this **protection**.

This additional protection only applies to such **work experience provider's** legal liability for any **claim** made against such **work experience provider** arising from the negligent act, error or omission of the **member's** or **affiliate's** student(s) in the course of undertaking study, research or work experience training or activities but only if the **member** or **affiliate** (as the case may be) is contractually obliged to indemnify such **work experience provider**.

However, this additional protection does not apply if the student is employed by the **work experience provider** or receives any remuneration from the **work experience provider**. In respect of any student receiving board and lodgings from the **work experience provider** during their study, research or work experience training or activities, receiving of board and lodgings from the **work experience provider** will not be deemed to be receiving remuneration from the **work experience provider**.

2.4.6 Run-off protection

If, during the **protection period**, an **affiliate** ceases to exist or operate or is consolidated with, merged into or acquired by another entity, **we** may continue to protect such **affiliate** until the expiry of the **protection period** subject to the terms, conditions, exclusions and limits applicable to this **protection**.

This additional protection only applies in respect of civil liability arising from any act, error or omission occurring before the date that such **affiliate** ceased to exist or operate or was consolidated with, merged into or acquired by another entity.

2.4.7 Infringement of rights of intellectual property or breach of confidentiality

We may provide **protection** in respect of any **claim** first made against **you** during the **protection period**, and notified in writing to **us** during the **protection period** or within 30 days after its expiry, for any unintentional infringement of rights of intellectual property or any unintentional breach of confidentiality as long as such **claims** arise out of the conduct of **your professional services**.

2.5 What is not protected

We will not protect you for liability:

2.5.1 Contractual liability and assumed liability

Any **claim** arising from or in connection with any contractual liability or assumed liability by **you** under any warranty, guarantee, contract or agreement.

This exclusion does not apply:

- a) if such liability would have attached to **you** in the absence of such warranty, guarantee, contract or agreement; or
- b) to liability assumed by the **member** or **affiliate** for loss or liability caused by, in connection with or arising out of the negligence of the **member's** or **affiliate's protected persons**.

2.5.2 Clinical trial

For **personal injury** to any **research subject**.

2.5.3 Insolvency or bankruptcy

Directly or indirectly arising out of, attributable to or in consequence of **your** insolvency or bankruptcy.

2.5.4 Medical occurrence and veterinary occurrence

Directly or indirectly based upon, attributable to or in consequence of **medical occurrence** or **veterinary occurrence**.

2.5.5 Member against affiliate, affiliate against affiliate or affiliate against member

In respect of any **claims** made:

- a) by or on behalf of the **member** against any **affiliate**; or
- b) by or on behalf of any **affiliate** against the **member**; or
- c) by any **affiliate** against another **affiliate**.

2.5.6 Money and negotiable instruments

any **Claim** directly or indirectly arising from or in connection with any loss of money, negotiable instruments including shares, bearer bonds, coupons, stamps, bank or currency notes.

2.5.7 Owners and occupiers liability

Any **claim** directly or indirectly arising from or in connection in any way whatsoever with the occupation, leasing or ownership of any real or other property (whether mobile or immobile) by the **member** or **affiliate**

2.5.8 Personal injury, property damage or advertising injury

Directly or indirectly based upon, attributable to or in consequence of any **personal injury, property damage** or **advertising injury**.

This exclusion does not apply to liability in respect of **personal injury**, (excluding **libel, slander, defamation**) or **property damage** caused by any breach of duty owed in a professional capacity by **you**.

2.5.9 Pollution

- a) Arising out of, resulting from or in consequence of any discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water; or
- b) For the expenses for the prevention of such contamination or pollution.

2.5.10 Prior claims or circumstances

- a) Arising from or in any way connected with any **claims** made against **you** prior to the commencement of the **protection period**; or
- b) Arising from or in any way connected with any fact or circumstance of which **you** became aware prior to the commencement of the **protection period** and which **you** knew or reasonably should have known was likely to give rise to a **claim** against **you**.

2.5.11 Retroactive date

Any **Claim** resulting from **professional services** provided by **You** prior to the **retroactive date**, where one is specified in the **Schedule**.

2.5.12 Superannuation funds

Arising from, related to or in any way connected with superannuation funds or employee benefit schemes.

2.5.13 Trading debts or refund of professional fees

- a) Directly or indirectly based upon, attributable to or in consequence of any trading debt incurred by **you** or any guarantee given by you for a debt; or
- b) For a refund of professional fees or in connection with **your** entitlement to professional fees.

2.5.14 USA or Canada

- a) Arising out of or in any way connected with the operation, occupation or use by **you** of any premises, real property or plant for manufacturing, growing, extracting, producing, processing, assembling, constructing, erecting, installing, repairing, servicing, treating, selling, supplying,

resupplying or distributing of any products where such premises, real property or plant are located in the **USA or Canada**.

- b) Of or attaching to or incurred by any **affiliate** domiciled or incorporated in the **USA or Canada**.
- c) Arising out of or in any way connected with any **claims** or legal proceedings instituted against you in the **USA or Canada** (or any other territory coming within or subject to the jurisdiction of the courts of the USA or Canada) including the enforcement by courts of any other country of any judgment originally obtained in any court of the **USA or Canada** but only in respect of:
 - i) **claims** based upon the Employment Retirement Income Security Act of 1974 (as amended) and any amendments to or any rules or regulations promulgated under such Act;
 - ii) **claims** arising out of any actual or alleged violations of the Racketeer Influenced and Corrupt Organisation Act 18 USC Section 1961 (as amended) and any amendments to or any rules or regulations promulgated under such Act;
 - iii) **claims** arising out of any actual or alleged violation of any provisions of the Securities Act of 1933, the Securities Exchange Act 1934 (as amended) or any similar Federal or State law or any common law relating to these Acts or similar issues or violations.

SECTION 3 - MALPRACTICE PROTECTION

3.1 What is protected

The **member** has the right to claim **protection** for any amount that **you** are legally liable to pay as compensation and claimants' costs and expenses for any **claim** first made against **you** during the **protection period** and notified to us in the **protection period** or within 30 days after its expiry, in respect of a **medical occurrence** or **veterinary occurrence** in connection with **your business**.

3.2 If your claim is successful

We will pay for

- a) the compensation that **you** are legally obliged to pay; and
- b) **your defence costs**.
- c) **your enquiry costs**

3.3 Maximum protection

The most **we** will pay under this **protection** for all claims for the **protection period** is the **limit of protection** as shown in the **Schedule**.

The **retention** is not included in the **limit of protection**. However, **your** additional protections are all included in the **limit of protection**.

Your **Defence costs** are payable in addition to the **limit of protection**

3.4 Additional protections

The following additional protections are subject to the definitions, conditions, exclusions and other terms of this **protection** other than as amended by the additional protection clauses.

3.4.1 Continuous protection

If:

- a) a **claim** which should have been notified by the **member**; or
- b) a fact or circumstance which the **member** could have elected to notify;

to **us** or **our Predecessors** under an earlier discretionary protection issued by **us** or **our Predecessors** but the **member** failed to notify or elected not to notify within the relevant notification period under such earlier discretionary protection, **we** may accept notification of such **claim**, fact or circumstance under this **protection** if the **member** notifies us in writing of such **claim**, fact or circumstance during the **protection period**.

This additional protection only applies if **you** have been continuously protected, without interruption, under discretionary protection issued by **us** or our **Predecessors** between the date:

- c) such **claim** was first made against **you**; or
- d) **you** first became aware of such fact or circumstance;

whichever is earlier and the commencement of the **protection period**.

We may reduce the amount of protection for claims under this additional protection by the amount that represents any prejudice **we** have suffered due to such late notification.

This additional protection only applies if such **claim** or liability arising out of such fact or circumstance would have been protected, but for **your** failure to notify or **your** election not to notify, under the earlier discretionary protection current on the date:

- e) such **claim** was first made against **you**; or
- f) you first became aware of such fact or circumstance;

whichever is the earlier and is also protected under this **protection**.

The most **we** will pay under this additional protection is the lesser of the **limit of protection** for this **protection** and the limit available under such earlier discretionary protection.

For the purposes of this additional protection, exclusion 3.5.8 does not apply.

3.4.2 Cross liability

If there is more than one of you, each of **you** will be considered as a separate and distinct entity and this **protection** will apply to each of **you** as if separate protection had been issued to each of **you**. However, nothing in this additional protection will result in an increase in the **limit of protection** or the **retention** in respect of any one **claim** or in the aggregate for all claims for the **protection period**.

3.4.3 Good Samaritan acts

We may protect **you** for any amount that you are legally liable to pay as compensation for any **claim** first made against **you** during the **protection period** and notified to **us** in the **protection period** or within 30 days after its expiry, in respect of a **medical occurrence** in connection with **any good samaritan acts**.

3.4.4 Protection to work experience providers

We may provide **protection** to any **work experience provider** as if they were **you**.

This additional protection only applies:

- a) if the **member** or **affiliate** (as the case may be), has a contractual obligation to include the **work experience provider** under this protection; and
- b) to liability to pay compensation for bodily injury, death, sickness, disease, disability, shock, fright, mental anguish or mental injury to any person which arises as a result of any negligent act, error or omission of the student in the course of the study, research or work experience training or activities.

This additional protection does not apply if the student is employed by the **work experience provider** or otherwise receives any remuneration from the **work experience provider**.

For the purpose of this additional protection:

any student receiving board and lodgings from the **work experience provider** during their study, research or work experience training or activities will not be deemed to be receiving remuneration from the **work experience provider**.

3.4.5 Provision of health care

Notwithstanding exclusion 3.5.7 and subject to the other terms and conditions of this **Protection**, if a **Protected Person** is employed as a **Health Care professional** by the **Member** or **Affiliate**, and the **Member** or **Affiliate** has agreed to indemnify the **Protected Person** for liabilities arising in the course of the **Protected Persons** employment, **We** may protect the **Member** or **Affiliate** in relation to:

- a) **Claims** arising from a **Medical Occurrence** that occur in the course of the provision of, assistance in the provision of, or the receipt of, training by the **Protected Person** on behalf of the **Member** or **Affiliate** in subjects relevant to the provision of **Health Care**; or
- b) **Claims** arising from a **Medical Occurrence** resulting from a **Protected Person's** employment duties with the **Member** or **Affiliate**

For the purpose of this additional **Protection Health Care professional, Health Care, and Health Care** incident all have the meanings defined in the Medical Indemnity (Prudential Supervision and Product Standards) Act 2003

3.4.6 Run-off protection

If, during the **protection period**, an **affiliate** ceases to exist or operate or is consolidated with, merged into or acquired by another entity, **we** may continue to protect such affiliate until the expiry of the **protection period** subject to the terms, conditions, exclusions and limits applicable to this **protection**.

This additional protection only applies in respect of liability arising from any **medical occurrence** or **veterinary occurrence** before the date that such **affiliate** ceased to exist or operate or was consolidated with, merged into or acquired by another entity.

3.5 What is not protected

We will not protect **you** for any liability:

3.5.1 AIDS or hepatitis

Arising out of or relating to:

- a) hepatitis non A;
- b) any condition in any way connected with the human immunodeficiency syndrome (HIV) or the mutants, derivatives or variations of HIV; or
- c) any condition in any way connected with acquired immune deficiency syndrome (AIDS) or AIDS related complex or any similar syndrome or condition.

This exclusion does not apply to the diagnosis or treatment of Hepatitis non A, HIV, LAV, AIDS or AIDS related conditions

3.5.2 Assumed liability

Arising out of or as a result of any liability assumed by **you** under any warranty, guarantee, contract or agreement.

This exclusion does not apply:

- a) if such liability would have attached to **you** in the absence of such warranty, guarantee, contract or agreement; or

- b) to liability assumed by the **member** or **affiliate** for loss or liability caused by, in connection with or arising out of the negligence of the **member's** or **affiliate's** students or employees.

3.5.3 Clinical trials

In any way connected with or as a consequence of any **clinical trial** except to the extent that such liability arises out of a **medical occurrence**.

3.5.4 Fraud and dishonesty

In any way connected with or as a consequence of any actual or alleged dishonest, fraudulent, criminal or malicious act or omission by **you**.

This exclusion will only apply to the **protected person**, **affiliate** or the **member** who committed or allegedly committed such act or omission and shall not apply to other entities or people who did not commit or allegedly commit such act or omission.

3.5.5 Home Birthing Exclusion

This **Protection** does not apply to any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature arising directly or indirectly from, based upon, attributable to, or in consequence of the provision or failure to provide Healthcare services to women in labour happening outside a licensed private health or healthcare facility or public hospital.

For the purposes of this exclusion, labour involves the following stages:

1. The onset of strong, regular contractions until there is full dilation (10cm) of the cervix;
2. From the full dilation of the cervix until the baby is completely out of the birth canal and has been born;
3. From the birth of the baby through to the expulsion or extraction of the placenta and membranes; and
4. The 48 hours following the birth of the baby; or
5. The termination of a pregnancy

This exclusion does not apply to student midwives whilst attending a homebirth in an **observational capacity** only.

3.5.6 Influence of intoxicants, narcotics or other drugs

In any way connected with or in consequence of any services rendered by **you** while under the influence of intoxicants, narcotics or other drugs affecting neuro cognitive competence.

3.5.7 Health care professionals

Arising out of or in any way connected to a health care incident where **you** are a health care professional and where the **claim** is in connection with **you** acting in **your** capacity as a health care professional.

Refer additional protection 3.4.5 Provision of health care

3.5.8 Prior claims or circumstances

- a) Arising from or in any way connected with any **claims** made against **you** prior to the commencement of the **protection period**;

- b) Arising from or in any way connected with any fact or circumstance of which **you** became aware prior to the commencement of the **protection period** and which **you** knew or reasonably should have known was likely to give rise to a **claim** against **you**.

3.5.9 Products

Resulting from or in any way connected with any **product**.

This exclusion only applies to a **product** that was manufactured or imported by **you**.

3.5.10 Provision of health care where or when not registered

Arising out of any **health care** or **veterinary care** where or when **you** are not registered to provide such **health care** or **veterinary care** and where or when **you** are or were required to be so registered to provide such **health care** or **veterinary care**.

This exclusion does not apply to the **member** or **affiliate**.

3.5.11 Retroactive date

Any **Claim** resulting from any **health care** or **veterinary care** provided by **You** prior to the **retroactive date**, where one is specified in the **Schedule**.

3.5.12 Sexual harassment or discrimination

Arising out of or in any way connected with any actual or alleged sexual harassment, sexual misconduct or unlawful discrimination of any type.

3.5.13 Transmission of communicable or contagious disease

Resulting from or in any way connected with the transmission of a communicable or contagious disease or virus by **you** if **you** knew or should reasonably have known that **you** were carrying the disease or virus.

This exclusion does not apply to the **member** or **affiliate**.

3.5.14 USA or Canada

- a) (i) Arising out of out of or in any way connected with a **medical occurrence** or **veterinary occurrence** happening in the **USA or Canada**.
- (ii) Arising out of or in any way connected with any claims or legal proceedings instituted against you in the **USA or Canada** (or any other territory coming within or subject to the jurisdiction of the courts of the USA or Canada) including the enforcement by courts of any other country of any judgment originally obtained in any court of the **USA or Canada**

This exclusion 3.5.14(a) does not apply to any liability arising out of out of or in any way connected with the presence of any:

- i) students of the **member** or an **affiliate** whilst undertaking work experience, student placement, study, research, lecture, lecture tour or other related activities as part of their study course with the **member** or an **affiliate**; or
- ii) employees of the member or an affiliate who are normally resident outside the **USA** or **Canada**.



For the purpose of this exclusion 3.5.14(a), employees who are staying in the **USA or Canada** for extended periods are deemed to be resident outside the **USA or Canada** as long as they are there in their capacity as employees of the **member** or an **affiliate** undertaking activities approved or recognised by the **member** or an **affiliate**.

- b) Arising out of or in any way connected with the operation, occupation or use by you of any premises, real property or plant for manufacturing, growing, extracting, producing, processing, assembling, constructing, erecting, installing, repairing, servicing, treating, selling, supplying, resupplying or distributing of any **products** where such premises, real property or plant are located in the **USA or Canada**.
- c) Of or attaching to or incurred by any **affiliate** domiciled or incorporated in the **USA or Canada**.

The total amount payable in respect of a claim under (a) (ii) including **defence costs** will not exceed the **Limit of Protection**

SECTION 4 - CLINICAL TRIALS PROTECTION

Section 4A – LEGAL LIABILITY

4A.1 What is protected

The **member** has the right to claim **protection** for amounts which **you** are liable to pay as damages or compensation and claimants' costs and expenses for any **claim** first made against **you** during the **protection period**, and notified to **us** in the **protection period** or within 30 days after its expiry, for **bodily injury** to any **research subject** arising from an **occurrence** in respect of any **clinical trial** undertaken by the **member** or any **affiliate** anywhere in the World excluding the USA or Canada in connection with **your business** after 21 May 1997.

4A.2 If your claim is successful

We will pay for:

- a) the compensation that **you** are liable to pay; and
- b) **your defence costs** (including fees or disbursements to the independent lawyer).
- c) **your enquiry costs**

Section 4B – NO FAULT COMPENSATION

4B.1 What is Protected

The **member** has the right to claim **protection** for amounts which **you** are liable to pay as damages or compensation and claimants' costs and expenses for any **claim** first made against **you** during the **protection period**, and notified to **us** in the **protection period** or within 30 days after its expiry, for **bodily injury** to any **research subject** arising from an **occurrence** in respect of any **clinical trial** undertaken by the **member** or any **affiliate** anywhere in the world excluding the **USA or Canada** in connection with **your business**.

4B.2 No Fault Compensation Conditions

Before any settlement of a **claim**, the **member** may with **our** prior written agreement offer the **Research Subject** the option of having the **Claim** determined in accordance with the following Conditions of Compensation.

4B.3 Conditions of Compensation

4B.3.1 The **Research Subject** shall be entitled to compensation in accordance with the following:

- a) prior to the determination of the **research subject's claims** or the decision of an **independent lawyer**, the **member** by way of agreement or court ruling offers the **research subject** the option of having the **research subjects claim** determined in accordance with these conditions of compensation and
- b) the **research subject** must agree within three months to the amount of compensation offered by the conditions of compensation

4B.3.2 In the event of (a) and (b) in 4B.3.1 above, but no agreement between the **member** and the **research subject** after three months the amount of compensation payable under these Conditions of

Compensation shall be determined by an **independent lawyer** experienced in Medical Litigation and acting as an Arbitrator. The choice of **independent lawyer** shall be with **our** agreement and the **research subjects** agreement. In the absence of such agreement the appointment shall be made by the President of the Law Society of New South Wales and/or the equivalent body of the country in which the claim is made

4B.3.3 In the event of the appointment of an **independent lawyer** such person:

- a) shall allow the parties a reasonable opportunity to present their cases with both oral and written evidence
- b) shall be entitled to obtain independent expert advice
- c) shall exercise any power conferred upon an Arbitrator by an Arbitration Statute or other law application in the country in which the **claim** is made
- d) shall otherwise determine the procedure in order to arrive at a just settlement

4B.3.4 In the event that the **member** and the **research subject** agree to be bound by the decision of the **independent lawyer** and the **research subject** accept the amount of compensation (if any) in full and final settlement of all causes of action against the **member** or any other person in connection with the **clinical trial** we will pay the reasonable costs of the **research subject** including the **legal costs** and expenses

4B.3.5 If the **research subject** does not accept the decision and award of the **independent lawyer** within three months the **research subject** shall have no further entitlement pursuant to these Conditions of Compensation but shall be able to pursue such rights as the **research subject** may otherwise have

4B.3.6 If the **research subject** accepts by agreement with the **member** or the award (if any) of an **independent lawyer** then the **research subject** is bound by the following:

- a) the **research subject** waives all rights of action against the **member** other than under these **conditions of compensation** and
- b) In the event of any payment under this **protection** the **member** (and **we**) shall be subrogated to all the rights of recovery thereof which the **research subject** may have against any third party and shall receive all help and assistance as the **member** (or **we**) may reasonably require from the **research subject** in exercising and enforcing these rights provided that any recovery over and above any compensation paid or payable to the **research subject** (after deduction of all costs incurred in effecting such recovery) shall accrue to the **research subject**
- c) the **research subject** shall sign such release or other documents as the **member** may reasonably require to give effect to (a) and (b) of Condition 4B.3.6 above

4B.3.7 Compensation will only be paid if on the balance of probabilities the **claim** (including exacerbation of an existing condition) was caused by the administration to or use by the **research subject** of any drug or product involved in the **clinical trial** or was directly attributable to participation in the **trial**

4B.3.8 Subject to Condition 4B.3.11 below, compensation will not be refused solely on the basis that the **claim** arose from a foreseeable adverse reaction or that the **research subject** was warned of the risk but agreed to participate in the **clinical trial** and signed a consent form

4B.3.9 Compensation will not be paid for the failure of a drug or product under **clinical trial** to perform its intended purpose

4B.3.10 Compensation will not be unreasonably with-held from a **research subject** not receiving the drug or product under **clinical trial** if treatment or other drugs normally used in relieving any conditions for which the **research subject** was undergoing treatment were with-held or caused by the administration of a placebo

4B.3.11 The amount of compensation payable shall be made with reference to the amount of damage awarded in similar cases by the courts of the country where the **clinical trial** took place and commensurate with the nature and severity and persistence of the **bodily injury**

The amount of compensation may be reduced denied or affected by the following circumstances:

- a) negligence of the **research subject** or (where the **research subject** is under the age of majority) the **research subject's** parents or legal guardian
- b) the seriousness of the **bodily injury** treated in the **clinical trial** and the degree of probability that adverse reactions would occur and any warning the **research subject** received
- c) the comparison of risk between established treatments and those that are used or researched in a **clinical trial**
- d) the availability and efficacy of alternative treatments which would have been available to a **research subject** had that person not agreed to participate in the **clinical trial**

4B.3.12 The amount of compensation shall be paid as a lump sum.

The following clauses are applicable to section 4A and 4B

4.3 Maximum Protection

The most **we** will pay under this **protection** for all claims for the **protection period** is the **limit of protection** as shown in the **Schedule**.

The **retention** and **your defence costs** are not included in the **limit of protection**. However the additional protections are all included in the **limit of protection**.

4.4 Additional Protections

The following additional protections are subject to the definitions, conditions, exclusions and other terms of this **protection** other than as amended by the additional protection clauses.

4.4.1 Continuous protection

If:

- a) a **claim** which should have been notified by the **member**; or
- b) a fact or circumstance which the **member** could have elected to notify;

to **us** or **our Predecessors** under an earlier discretionary protection issued by **us** or **our Predecessors** but the **member** failed to notify or elected not to notify within the relevant notification period under such earlier discretionary protection, **we** may accept notification of such **claim**, fact or circumstance under this **protection** if the **member** notifies **us** in writing of such **claim**, fact or circumstance during the **protection period**.

This additional protection only applies if **you** have been continuously protected, without interruption, under discretionary protection issued by **us** or **our Predecessors** between the date:

- c) such claim was first made against **you**; or
- d) **you** first became aware of such fact or circumstance;

whichever is earlier and the commencement of the **protection period**.

We may reduce the amount of protection for claims under this additional protection by the amount that represents any prejudice **we** have suffered due to such late notification.

This additional protection only applies if such **claim** or liability arising out of such fact or circumstance would have been protected, but for **your** failure to notify or **your** election not to notify, under the earlier discretionary protection current on the date:

- e) such claim was first made against **you**; or
- f) **you** first became aware of such fact or circumstance;

whichever is the earlier and is also protected under this **protection**.

The most **we** will pay under this additional protection is the lesser of the **limit of protection** for this **protection** and the limit available under such earlier discretionary protection.

For the purposes of this additional protection, exclusion 4.5.5 does not apply.

4.4.2 Criminal defence costs

The **member** also has a right to have a claim considered for the legal costs and expenses that **you** incur with **our** written consent to defend any criminal proceedings first brought against **you** in the **protection period** and notified to **us** in the **protection period** or within 30 days after its expiry, as a result of **bodily injury** to any person arising from any **clinical trial** undertaken by the **member** or any **affiliate** in connection with **your business** after 21 May 1997.

We will not pay under this additional protection for:

- a) any legal costs and expenses that are incurred without **our** written consent; or
- b) any proceedings that relate to or arise out of a deliberate act or omission by **you**.

4.4.3 Provision of health care

Notwithstanding exclusion 4.5.3 and subject to the other terms and conditions of this **Protection**, if a **Protected Person** is employed as a **Health Care professional** by the **Member** or **Affiliate**, and the **Member** or **Affiliate** has agreed to indemnify the **Protected Person** for liabilities arising in the course of the **Protected Persons** employment, **We** may protect the **Member** or **Affiliate** in relation to:

- a) Claims arising under this section that occur in the course of the provision of, assistance in the provision of, or the receipt of, training by the Protected Person on behalf of the Member or Affiliate in subjects relevant to the provision of Health Care; or
- b) Claims arising under this section resulting from a Protected Person's employment duties with the Member or **Affiliate**.

For the purpose of this additional **Protection**, **Health Care professional**, **Health Care**, and **Health Care incident** all have the meanings defined in the Medical Indemnity (Prudential Supervision and Product Standards) Act 2003.

4.4.4 Errors and Omissions (Clinical Trials)

Any inadvertent error or omission on the part of a **member** in declaring trials involving pregnant research subjects to **us** shall not relieve **us** from any liability which would have attached hereunder, provided such trials are declared to **us** immediately on discovery and shall not impose any greater liability on the **us** than would have attached if the error or omission had not occurred.

4.5 What is not protected

We shall not protect **you** for any liability arising from:

4.5.1 HIV and AIDs

- a) any condition in any way connected with the human immunodeficiency syndrome (HIV) or the mutants, derivatives or variations of HIV; or
- b) any condition in any way connected with acquired immune deficiency syndrome (AIDS) or AIDS related complex or any similar syndrome or condition.

4.5.2 prior occurrences

- a) liability arising from any **occurrence** happening prior to 21 May 1997
- b) any claim arising out of an **occurrence**, the circumstances of which the member was aware of prior to the inception of this protection.

4.5.3 Health care professionals

Arising out of or in any way connected to a health care incident where you are a health care professional and where the **claim** is in connection with **you** acting in **your** capacity as a health care professional.

Refer additional protection 4.4.3 Provision of health care

4.5.4 Pregnant women and Infants

Arising out of or in any way connected with any **bodily injury** to any:

- a) **research subject** who is a pregnant woman or a woman who is breast feeding her infant(s);
- b) foetus inside a pregnant **research subject**; or
- c) infant or baby breast fed by a **research subject**.

unless declared **to** and agreed with **us** prior to the commencement of such trial, subject to Clause 4.4.4 (Errors and Omissions).

4.5.5 Prior claims or circumstances

- a) For any **claims** made against you prior to the commencement of the **protection period**;
- b) Arising from or in any way connected with any fact or circumstance of which **you** became aware prior to the commencement of the **protection period** and which **you** knew or reasonably should have known was likely to give rise to a **claim** against you.

4.5.6 Retroactive date

Any **Claim** resulting from any **clinical trial** commenced prior to the **retroactive date**, where one is specified in the **Schedule**.



4.5.7 Trial failure

Based upon, attributable to or in any way connected with the failure of a drug, device or procedure the subject of **clinical trial** to perform its intended purpose or function.

4.5.8 Unapproved clinical trials

Arising out of or in any way connected with any **clinical trial** undertaken without the approval of the **member's** ethics committee or an **affiliate's** ethics committee (as the case may be) or some other ethics committee the **member** or **affiliate** may submit to before commencing any **clinical trial**.

4.5.9 USA or Canada

Arising out of or in any way connected with:

- a) **claims** brought against you in the **USA or Canada**; or
- b) **claims** brought against you in a court exercising the jurisdiction of the **USA or Canada**; or
- c) any order made anywhere in the world to enforce, partially or wholly, any judgment, award or settlement made in the **USA or Canada**.



Unimutual Limited

Product Disclosure Statement

PART 6 – Cyber Protection

This is Part 6 of the PDS dated 1 November 2023 issued by

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1. Protection Agreements – Third Party Liability

The **mutual** will pay on behalf of or reimburse the **protected entity** for all **loss** in excess of the applicable **retention**, that the **protected entity** becomes legally obligated to pay as a result of a **claim**, first made or brought against the **protected entity** during the **protection period** or the **discovery period** (if applicable), for any actual or alleged:

1.1 Media

media wrongful act; or

1.2 Privacy and Security

privacy and security wrongful act,

committed by the **protected entity**, or a **rogue employee**, or an **outsourced provider**, or third party for whose **third party wrongful act** a **protected entity** is legally responsible.

1.3 Payment Card Industry Data Security Standard Liability

The **mutual** will pay on behalf of or reimburse the **protected entity** for **PCIDSS fines and costs** arising from a **PCIDSS wrongful act**, in excess of the applicable **retention**, as a result of a **claim** first made or brought against the **protected entity** during the **protection period** or **discovery period** (if applicable).

1.4 Regulatory Defence and Fines

The **mutual** will pay on behalf of or reimburse the **protected entity** for **defence costs** and **regulatory fines**, where permissible by law, in excess of the applicable **retention**, arising from a **regulatory investigation**, but only where the **protected entity** is first made aware of the intention of the regulator or governmental authority to hold such investigation during the **protection period** or the **discovery period** (if applicable).

2. Protection Agreements – First Party Loss

The **mutual** will pay on behalf of or reimburse the **protected entity** for:

2.1 Privacy Notification and Crisis Management Costs

privacy notification and crisis management costs in excess of the applicable **retention**

2.2 Betterment Costs

betterment costs in excess of the applicable **retention**

2.3 Bricking Costs

bricking costs in excess of the applicable **retention** notwithstanding Exclusion 4.20 Property Damage and Bodily Injury

2.4 Business Interruption Loss

business interruption loss after the **time retention**

2.5 Consequential Reputational Loss

consequential reputational loss after the **time retention**

2.6 Contingent Business Interruption Loss

contingent business interruption loss after the **time retention**

2.7 Data Recovery Costs

data recovery costs in excess of the applicable **retention**

2.8 Dependent System Failure Business Interruption Loss

dependent system failure business interruption loss after the **time retention**

2.9 Loss Mitigation Costs

loss mitigation costs in excess of the applicable **retention**

2.10 Operational Expenses

operational expenses in excess of the applicable **retention**

2.11 System Failure Business Interruption Loss

system failure business interruption loss after the **time retention**

2.12 Voluntary Shutdown Business Interruption Loss

voluntary shutdown business interruption loss after the **time retention**

which a **responsible person** first **discovers** during the **protection period**.

2.13 Extortion Expenses

The **mutual** will reimburse the **protected entity** for **extortion expenses** in excess of the applicable **retention** which a **responsible person** first **discovers** during the **protection period**.

3. Extensions

3.1 Automatic Discovery Period

If the **protection** is not renewed or replaced, and if the total contribution for the **protection** has been paid in full, the **protected entity** will be entitled to an automatic **discovery period** of thirty (30) days. This automatic **discovery period** applies solely in respect of Protection Agreements - Third Party Liability.

3.2 Continuity

Notwithstanding Exclusion 4.19 Prior Acts, cover is provided under this **protection** for any covered **claim** that should have been notified under an earlier protection provided that:

- a) the **protected entity** has maintained continuous cover with the **mutual** from the date when the **claim** should have been notified to the date when it was actually notified; and
- b) there has been no fraudulent non-disclosure or fraudulent misrepresentation in respect of the **claim**.

Cover is granted under this provision in accordance with the terms, conditions, and exclusions of the protection in force at the time the **claim** should have been notified provided such terms, conditions, exclusions, and attachment point are not broader than the coverage provided under this **protection**.

3.3 Contractual Liability

Notwithstanding Exclusion 4.4. Contractual Liability, the **mutual** will pay on behalf of or reimburse the **protected entity** for **loss** in excess of the applicable **retention**, in respect of a covered **first party event** or a covered **third party wrongful act**, for:

- a) breach of an exclusivity or confidentiality provision contained in a written agreement;
- b) violation of an intellectual property right except a violation of a patent right;
- c) breach of the **protected entity's** privacy policy and/or privacy notice; or
- d) any obligation to indemnify, reimburse or compensate pursuant to a **merchant services agreement** solely under Protection Agreement 1.3 Payment Card Industry Data Security Standard Liability

which a **responsible person** first **discovers** during the **protection period**.

3.4 Emergency Defence Costs

The **mutual** will reimburse the **protected entity** for reasonable and necessary **defence costs** in excess of the applicable **retention** incurred by the **protected entity** without the **mutual's** prior written consent in responding to a **first party event** or **third party wrongful act** which a **responsible person** first **discovers** during the **protection period**.

3.5 Innocent Employees

Notwithstanding Exclusion 4.5 Deliberate Acts, the **mutual** will pay on behalf of or reimburse any innocent **employee** with no knowledge of the deliberate acts prescribed in Exclusion 4.5 Deliberate Acts for **loss** in excess of the applicable **retention**, that the **employee** becomes legally obligated to pay as a result of a **claim**, first made or brought against the **employee** during the **protection period**.

3.6 New Subsidiaries

The term **subsidiary** will include any entity of which the **member**, either directly or indirectly through one or more of its **subsidiaries**, acquires during the **protection period**:

- a) control of the composition of the board of directors;
- b) control of more than half of the shareholder voting power; or
- c) a holding of more than half of the issued share capital

provided that at the time of acquiring that control or holding, the acquired entity:

- i) has total gross assets which are less than 25% of the total consolidated gross assets held by the **member** and all its **subsidiaries** together as recorded in the latest audited financial statements of the **member** prior to inception of the **protection**;
- ii) is not incorporated or domiciled in the United States of America nor regulated by the US Securities and Exchange Commission;
- iii) has a total number of employees which is less than 25% of the total number of **employees** employed by the **member** and all its **subsidiaries** together prior to inception of the **protection**; and
- iv) has not suffered a **loss** of the type covered by the **protection** greater than the **retention** or **time retention** within the three (3) years immediately preceding the acquisition.

If a newly acquired entity fails to meet the conditions of this provision, the **mutual** will provide cover under the **protection** from the date of acquisition for sixty (60) days, during which time the **member** will give the **mutual** sufficient information to permit the **mutual** to assess and evaluate the **mutual's** potential increase in exposure.

Following receipt of that information, the **mutual** may agree to extend the definition of **subsidiary** to include the newly acquired entity, subject to the amendment of the terms and conditions of the **protection**, including by charging a reasonable additional contribution in respect of the newly acquired entity. The cover, if any, afforded after the expiry of the sixty (60) day period will be set out in an Endorsement to the **protection**.

3.7 Optional Discovery Period

If the **protection** is not renewed or replaced, and if the total contribution for the **protection** has been paid in full, the **protected entity** will be entitled to purchase an optional **discovery period** of one (1), two (2), or three (3) years. The contribution for the optional **discovery period** will be:

- a) one (1) year optional **discovery period**, fifty percent (50%) of the annual contribution for the **protection**;
- b) two (2) year optional **discovery period**, one hundred percent (100%) of the annual contribution for the **protection**; or
- c) three (3) year optional **discovery period**, one hundred and five percent (150%) of the annual contribution for the **protection**.

If purchased, this optional **discovery period** applies solely in respect of Protection Agreements - Third Party Liability.

4. Exclusions

The **mutual** shall not be liable to make any payment for any **loss** arising out of, based upon, or attributable to:

4.1 Acquisitions and Sales

any **third party wrongful act** committed by, or any **first party event** occurring to:

- a) any entity newly formed or acquired by any **protected entity** unless it becomes a newly acquired **subsidiary** in accordance with Extension 3.6 New Subsidiaries;
- b) any entity before it became a newly acquired **subsidiary**, unless the **mutual** agrees by Endorsement to the **protection** to provide such coverage; or

- c) any entity that was a **subsidiary** or newly acquired **subsidiary** after it ceased to be a **subsidiary** or newly acquired **subsidiary**.

4.2 Anti-competitive Conduct

any actual or alleged anti-trust violation, price fixing, restraint of trade or unfair competition.

This exclusion shall not apply to an otherwise covered **claim** under:

- a) Protection Agreement 1.1 Media, in respect of any misstatement or misrepresentation under the *Competition and Consumer Act 2010* (Cth);
- b) Protection Agreement 1.2 Privacy and Security; or
- c) Protection Agreement 1.4 Regulatory Defence and Fines.

4.3 Claim Jurisdiction and Territorial Limits

any legal proceeding brought:

- a) in a court of law outside the Jurisdictional Limit prescribed in the **schedule**; or
- b) brought in a court of law within the Jurisdictional Limit prescribed in the **schedule** to enforce a judgment or order made in any court of law outside the Jurisdictional Limit prescribed in the **schedule**.

4.4 Contractual Liability

any liability a **protected entity** has under a written contract unless such liability would have attached to the **protected entity** in the absence of the written contract.

4.5 Deliberate Acts

any dishonest, intentional, fraudulent, malicious, reckless, or criminal, act or omission or willful violation of law (including privacy laws) by the **protected entity**, other than a **rogue employee**, or by any party with the consent or prior knowledge of any officer, director or partner of the **protected entity**.

This exclusion will apply only where such conduct has been established by final adjudication of a court or tribunal, or by written admission.

For the purposes of this exclusion the knowledge of or conduct by:

- a) a natural person will not be imputed to any other natural person; and
- b) a **responsible person** will be imputed to the **protected entity**.

4.6 Directors' and Officers' Liability Claims

claim made against a director or officer of any **protected entity**, in their capacity as such.

4.7 Electromagnetic Discharge

the existence, emission, or discharge of any electromagnetic field, radiation or magnetism, that allegedly or actually affects the health, safety or condition of any person or environment, or that affects the value, marketability, condition or use of any property.

4.8 Employment Practices

any employment practices.

This exclusion shall not apply to an otherwise covered **claim** under Protection Agreement 1.2 Privacy and Security.

4.9 ERISA / Securities

actual or alleged violation or breach of:

- a) the Employee Retirement Income Security Act of 1974 (USA);
- b) the Securities Act of 1933 (USA);
- c) the Securities Exchange Act of 1934 (USA);
- d) the Racketeer Influenced and Corrupt Organization Act 1961 (USA);
- e) the Securities Fraud Enforcement Act 1988 (USA);
- f) any rules, regulations or amendments issued in relation to the abovementioned acts; or
- g) any similar legislation in relation to the abovementioned acts in any other jurisdiction.

4.10 Fees and Benefits

that part of any relief to the extent it is asserted, quantified, or assessed, in the **claim** by reference to any benefit (including, without limiting the generality thereof, any advantage, charges, commissions, fees, interest, premium, profit, refund or remuneration) either:

- a) derived by any **protected entity**; or
- b) to which any **protected entity** claims to be entitled; or
- c) to which any **protected entity** is not, or allegedly is not, legally entitled.

4.11 Financial Guarantees

any promise, representation, or guarantee, for or relating to the return on investment, cost savings, or profits.

4.12 Force Majeure

fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, or Act of God, however caused.

4.13 Infrastructure

power outage or any failure due to any cause whatsoever, of any system, infrastructure, or network, over which the **protected entity** has no direct control.

4.14 Over-Redemption

price discounts, prizes, awards, coupons, or any other valuable consideration, given in excess of the contracted or expected amount.

4.15 Ownership

any **claim** by any person or entity if, on or after the date or time of the act, error or omission giving rise to such **claim**:

- a) any **protected entity** controlled, owned, operated or managed such entity; or
- b) any **protected entity** was an owner, partner, joint venture partner, member, director, officer or employee of such person or entity.

Control of or ownership in a business enterprise is presumed if any **protected entity** owned or held ten percent (10%) or more of the equity and/or debt instruments of a publicly held

corporation, or fifty percent (50%) or more of the equity and/or debt instruments of a privately held corporation.

4.16 Patent

actual or alleged infringement, misappropriation, dilution, misuse or inducement to infringe, misappropriate, dilute or misuse, of any patent or patent right.

4.17 Protected Entity versus Protected Entity Claims

claim made by or on behalf of a **protected entity** against any other **protected entity**.

This exclusion shall not apply to a **data breach** directly resulting from a **first party event** under Protection Agreement 1.2 Privacy and Security.

4.18 Pollution and Asbestos

any:

- a) actual, alleged or threatened emission, discharge, dispersal, seepage, release or escape of pollutants;
- b) actual or alleged asbestos or any materials containing asbestos (in any form or quantity); or
- c) injury, damage, payments, costs or expense, incurred as a result of any testing for, monitoring, removal, containment, treatment, detoxification, neutralisation or cleanup of any pollutants or asbestos.

4.19 Prior Acts

any:

- a) fact or circumstance known to a **responsible person** prior to the **protection period** or ought reasonably to have been known by a **responsible person** prior to the **protection period**, which might reasonably have been expected to give rise to a claim under the **protection**, whether or not such fact or circumstance was notified under another policy prior to the **protection period**;
- b) fact or circumstance which arises from or is related to the same originating cause as any fact or circumstance notified under another policy prior to the **protection period**; or
- c) **claim** first made or brought against the **protected entity** prior to the **protection period**.

4.20 Property Damage and Bodily Injury

bodily injury, sickness, disease, emotional distress, mental injury, mental tension, mental anguish, pain and suffering, humiliation, or shock, sustained by any person, including death that results from any of these, or damage to or destruction of any tangible property, including loss of use thereof, whether or not damaged or destroyed.

This exclusion shall not apply to any **claim** for emotional distress, mental injury, mental tension or mental anguish, pain and suffering, humiliation, or shock, that directly results from a **third party wrongful act**.

For the purposes of this exclusion tangible property shall not include **electronic data**.

4.21 Regulatory Action

any governmental, quasi-governmental or regulatory action or investigation.

This exclusion shall not apply to an otherwise covered **claim** under Protection Agreement 1.4 Regulatory Defence and Fines.

4.22 Retroactive Date

any **third party wrongful act** or **first party event** that occurs before the **retroactive date**.

4.23 Shareholder Action

any **claim** made by or on behalf of or instigated by any shareholder of a **protected entity** (in whatever capacity or through whatever platform), acting in their capacity as such, except when made as a customer or client of that **protected entity**.

4.24 Terrorism

an act, including the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, or other ideological reasons or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion shall not apply to any **data breach**, or any actual, alleged or threatened attack against the **computer system**, of which the **protection** provides cover.

4.25 Trade Secrets

actual or alleged misappropriation of trade secrets.

This exclusion shall not apply to an otherwise covered **claim** directly resulting from a **first party event** under Protection Agreement 1.2 Privacy and Security.

4.26 Unsolicited Communications and Data Collection

- a) unsolicited faxes, emails or other communications sent by or on behalf of a **protected entity** to any third party; or
- b) actions brought under the Telephone Consumer Protection Act (UK), the CAN-SPAM Act of 2003 (USA) or similar legislation in any other jurisdiction.

This exclusion shall not apply to an otherwise covered **claim** directly resulting from a **first party event** under Protection Agreement 1.2 Privacy and Security.

4.27 War

any strike or similar labour action, war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority or any action taken to hinder or defend against these actions.

4.28 Wear and tear

wear and tear or gradual deterioration or failure of any electronic equipment in normal use.

5. Claims Conditions

5.1 Notification of Claims and First Party Events

The **protected entity** must give to the **mutual** written notice of any:

- a) **claim** first made or brought against the **protected entity**;
- b) **first party event**;
- c) the incurring of amounts covered under any of the Extensions; or
- d) the incurring of amounts covered under any of the Endorsements issued to form part of this **protection**

as soon as practicable, during the **protection period** (or **discovery period** if applicable), and in any event within thirty (30) days from when any **responsible person** first **discovers** of the abovementioned matters.

5.2 Notification of Circumstances

Any **protected entity** may, during the **protection period** (or **discovery period** if applicable), notify the **mutual** of any fact or circumstance which may, in the reasonable opinion of the **responsible person**, give rise to a **third party wrongful act** or **first party event**. Such notice must include the reasons why the **protected entity** reasonably anticipates that the fact or circumstance may give rise to a **third party wrongful act** or **first party event** and, where available, full particulars of the dates, acts and persons involved.

Any **first party event** which occurs, or **claim** made or brought against the **protected entity**, after the end of the **protection period** (or after the **discovery period** if applicable), which arises out of, is based upon or attributable to the same originating cause, source or event as a fact or circumstance which has been notified to the **mutual** in accordance with this provision will be treated by the **mutual** as having been notified during the **protection period**.

5.3 Co-operation and Mitigation

Each **protected entity** will:

- a) take all reasonable steps to prevent or minimise any **loss**;
- b) render all reasonable assistance to and cooperate with the **mutual** in the defence of any **claim** and the assertion of indemnification and contribution rights;
- c) give such information and assistance to the **mutual** as they may reasonably require to enable the investigation of any matter for which the **protected entity** seeks cover under the **protection** or determine the **mutual's** liability under the **protection**; and
- d) respond to any **extortion demand** in accordance with and under the direction of local law enforcement or any other authority, if legally required to do so.

Unless expressly provided for in the **protection** or otherwise agreed in writing by the **mutual**, such steps will be at the **protected entity's** own cost and will not include the admission or assumption of any liability, or settlement of any **claim** without the prior written consent of the **mutual**. Self-reporting to any **official entity** shall not in itself, be deemed to be an admission of liability.

5.4 Defence and Settlement

Each **protected entity** will have the right and duty to defend and contest any **claim**. The **mutual** will be entitled to be consulted and participate in the conduct of the defence of the

claim. The **mutual**, at its sole discretion, may take over control of the defence, including any settlement negotiations, contributions and/or indemnification proceedings.

Where the **mutual** takes over conduct of the defence as provided under this provision, the **mutual** shall have full discretion in the handling of the **claim** notwithstanding that a dispute may have arisen between the **protected entity** and the **mutual**.

In the event of a dispute between the **mutual** and the **protected entity** as to whether a **claim** should be settled, the **protected entity** shall be entitled to brief Senior Counsel (to be mutually agreed upon by the **protected entity** and the **mutual**) to advise, having regard to both legal and commercial considerations, on whether such **claim** should be settled, and if so, on the amount for which the **claim** should be settled. If the Senior Counsel recommends settlement of a **claim** the **protected entity** may elect to continue to defend the **claim** provided that the liability of the **mutual** under the **protection** for all **loss** in connection with such **claim** shall not exceed the amount for which the **claim** could have been settled plus **defence costs** incurred to the date such recommendation was made.

The costs of obtaining this opinion from Senior Counsel shall form part of the **defence costs**.

5.5 Consent

The **mutual** shall not pay any **defence costs** or other payments under the **protection** unless the **mutual** has provided prior written consent to the **defence costs** or other payments under the **protection** being incurred.

The **mutual** shall not make any payment in connection with liability admitted by the **protected entity**, nor any settlement agreed by the **protected entity**, nor **first party costs** incurred by the **protected entity** unless the **mutual** has provided prior written consent to the liability being admitted, the settlement being agreed, or the **first party costs** being incurred.

The **mutual** shall not unreasonably withhold or delay consent that may be required under any provision of the **protection** provided the **protected entity** complies with Claims Condition 5.3 Co-operation and Mitigation.

5.6 Defence Costs

The **mutual** shall not pay **defence costs** unless the **mutual** has provided prior written consent to the **defence costs** being incurred. The **protected entity** shall reimburse the **mutual** for any **defence costs** which are ultimately determined not to be covered under the **protection**, unless such **defence costs** are covered under:

- a) Protection Agreement 2.9 Loss Mitigation Costs; or
- b) Extension 3.4 Emergency Defence Costs.

5.7 Emergency Defence Costs

The **mutual** will have no liability to provide coverage to the **protected entity** under Extension 3.4 Emergency Defence Costs unless the **protected entity**:

- a) gives written notice to the **mutual** within thirty (30) days of the **protected entity** agreeing to make such payments, of both:
 - i) the fact, circumstance or event that might reasonably have been anticipated to give rise to a **claim** under the **protection**; and
 - ii) the nature of the amounts paid or incurred by the **protected entity**; and
- b) establishes to the **mutual's** reasonable satisfaction that:

- i) such anticipated **claim** would have been covered under the **protection**;
- ii) because of an emergency situation faced by the **protected entity**, it was reasonable and necessary for the **protected entity** to make the payment or incur the costs, fees or expenses prior to notification; and
- iii) the amount paid or incurred by the **protected entity** was reasonable.

5.8 Allocation

Where the handling or defence of a **claim** involves both matters or parties covered and matters or parties not covered by the **protection**, the costs of defending the **claim** will be allocated between the **mutual** and the **protected entity** proportionate to the matters or parties in the **claim** which are covered and not covered by the **protection**.

Where there is no agreed allocation of the **defence costs** or of any damages, judgment, awards and/or settlement between matters or parties covered and matters or parties not covered by the **protection**, the **protected entity** shall be entitled to brief Senior Counsel (to be mutually agreed upon by the **protected entity** and the **mutual**) to advise, having regard to the relative legal and financial exposures attributable to the covered matters or parties and the matters or parties not covered by the **protection**, a fair and proper allocation. The **mutual** and **protected entity** agrees to be bound by such opinion of Senior Counsel.

The costs of obtaining this opinion from Senior Counsel shall form part of the **defence costs**.

6. General Conditions

6.1 Limit of Liability

The **aggregate limit of liability** is the maximum and total aggregate sum payable by the **mutual** in respect of all **protected entities** and the **mutual** will have no liability in excess of the **aggregate limit of liability**. The **limit of liability** prescribed for each of the Protection Agreements and Extensions is the total aggregate sum payable by the **mutual** in respect of all **protected entities** under such Protection Agreements and Extensions. The **limit of liability** is part of and not in addition to the **aggregate limit of liability**.

Any sum paid by the **mutual** under the **protection** will erode the relevant **limit of liability** and the **aggregate limit of liability**.

The **mutual** may at any time pay to the **protected entity** the amount of the relevant **limit of liability** for a prescribed Protection Agreement or Extension (after deduction of any sums already paid), and upon such payment being made, the **mutual** shall have no further liability or obligation under such Protection Agreements or Extensions. The **mutual** may at any time pay to the **Protected entity** the amount of the **aggregate limit of liability** and upon such payment being made the **mutual** shall have no further liability or obligation under the **protection**.

6.2 Ransomware Event Loss

The **mutual's** obligation to pay **ransomware event loss** shall not exceed the Ransomware Event Limit prescribed in the **schedule**. The Ransomware Event Limit shall be the **mutual's** maximum liability for all **ransomware event loss** for which this **protection** affords coverage under any of the Protection Agreements, Extensions, or Endorsements to this **protection**, and the Ransomware Event Limit is a part of, and not in addition to, the **limit(s) of liability** applicable under any other Protection Agreements, Extensions, or Endorsements to this

protection, or applicable aggregate limit(s) of the **protection**. The Ransomware Event Limit shall apply regardless of the number of **claims**, **first party events**, **regulatory investigations**, or other events for which coverage may apply under any of the Protection Agreements, Extensions, or Endorsements to this **protection**. **Extortion expenses** payable under Protection Agreement 2.13 Extortion Expenses are part of, and not in addition to, the Ransomware Event Limit.

The effect of this provision shall apply regardless of whether any other cause or event contributes concurrently or in any sequence to any portion of a **ransomware event**.

Should the **mutual** determine that payment of any **ransomware event loss** might conflict with applicable laws or regulations (including but not limited to any U.S. or foreign trade or economic sanctions, laws, or regulations), the **mutual** has the right, but not the obligation, to seek relief or guidance from an appropriate regulatory authority or court of competent jurisdiction before it will pay any such **ransomware event loss**. If the **mutual** exercises such right, payment for any **ransomware event loss** will not become due until thirty (30) days after payment of such **ransomware event loss** has been authorised by such regulatory authority or court, or such additional time that the **mutual** may reasonably require.

6.3 Retentions

The **mutual** will be liable only for **loss** under the **protection** in excess of the applicable **retention** or after the applicable **time retention**. The **retention** and **time retention** will be borne by the **protected entity** and will remain unprotected. The **retention** and **time retention** do not form part of the relevant **limit of liability**.

6.4 Aggregation

Any **loss** or any other payments under the **protection** arising from or in any way connected with the same originating source or cause are deemed to be a single source or cause.

Except for **loss of profit** arising from a **first party event**, only the largest applicable **retention** will be applied to the total amount payable in respect of a single source or cause.

6.5 Other Insurance

If a **loss** covered by this **protection** is also covered by any insurance or amounts collectible by the **protected entity** or any indemnity, then the **mutual** under this **protection** will pay only in excess of the amount of such other insurance or indemnity. In particular, this **protection** will provide **protection** only in excess of any professional liability protection provided by the **mutual** to the **protected entity** or professional liability insurance provided by any insurer. This provision does not apply to other insurance that is written specifically as insurance or protection in excess of this **protection**.

6.6 Subrogation and Recoveries

If the **mutual** becomes liable for any payment under the **protection**, the **mutual** will be subrogated to all rights and remedies available to any **protected entity** in connection with that liability and will be entitled to bring proceedings in the name of such **protected entity**.

Each **protected entity** will take all steps necessary or required by the **mutual**, whether before or after payment by the **mutual**, to preserve the rights and remedies which the **protected entity** may have to recover its **loss**, costs, fees or expenses from any third party.

Both before and after any payment under the **protection**, each **protected entity** will provide to the **mutual** with any reasonable assistance the **mutual** may require in securing such rights and remedies as set out in this provision and will take all reasonable steps as required by the **mutual**.

The **mutual** will be entitled to take control of all steps which are taken to recover the **loss** under the **protection** from any third party whether or not any portion of the **loss** under the **protection** that the **protected entity** has suffered is covered by the **protection** and whether or not the **mutual** has provided (or will provide) only partial coverage under the **protection**. The decision whether or not to take any step to pursue a recovery in connection with the **loss** under the **protection** will rest with the **mutual** notwithstanding the existence of any unprotected loss.

The costs of such proceedings will be borne by the **protected entity** and the **mutual** in the same proportion that the covered **loss** under the **protection** bears to any loss not covered under the **protection**, but only to the extent that such costs are incurred after the **mutual** has accepted liability.

Any amounts recovered from third parties will be applied in the following order ("order of payments"):

- a) To recompense the **protected entity** and the **mutual** for the costs incurred in bringing proceedings against the third party (such payments will be allocated between the **protected entity** and the **mutual** in the same proportions as they have borne those costs);
- b) then to the **protected entity** for the amount, if any, of the **loss** which exceeds the **limit of liability**;
- c) then to the **mutual** up to the amount of the **loss** covered under the **protection** and paid by the **mutual**;
- d) then to the **protected entity** in respect of any loss not covered under the protection (including the **retention** and **time retention**).

Interest on amounts recovered from third parties will be allocated proportionally to the amounts paid in accordance with the order of payments in this provision. The **mutual** agrees not to exercise its rights of recovery against any **employee** unless the **loss** is brought about or contributed by any dishonest, fraudulent, malicious or criminal acts of the **employee**.

6.7 Change in Control

If during the **protection period** a **change in control** occurs, the **mutual** will not be liable, or make any payment for **loss** or any other payments under the **protection** arising out of, based upon or attributable to any **third party wrongful act** or **first party event** occurring after the **change in control**. The **member** will, as soon as practicable, give the **mutual** written notice of any **change in control**.

Cover for any **subsidiary** under the **protection** will only apply in respect of any **third party wrongful act** or **first party event** that occurs while such entity is a **subsidiary**.

6.8 Address for Notifications

All notices must be sent by email to the address prescribed in the **schedule**.

6.9 Discovery Periods

If Extension 3.7 Optional Discovery Period is purchased:

- a) such contribution must be received by the **mutual** within thirty (30) days after the end of the **protection period**;
- b) the **protection** must neither be renewed nor replaced at the end of the **protection period**;
- c) no **responsible person** must be aware of the matters prescribed in Claims Condition 5.1 Notification of Claims and First Party Events in the period preceding the decision to purchase Extension 3.7 Optional Discover Period;
- d) the automatic **discovery period** will be part of and not in addition to any optional **discovery period** purchased by the **protected entity**; and
- e) the **discovery period** is non-cancellable and the contribution for the optional **discovery period** is deemed fully earned at the commencement of the optional **discovery period**.

The first thirty (30) days of the optional **discovery period**, if purchased, will run concurrently with the automatic **discovery period**. The purchase of the optional **discovery period** will not in any way increase the **aggregate limit of liability** or any particular **limit of liability**, and any payments made with respect to any **claim** first made or brought against the **protected entity** during the optional **discovery period** will be part of and not in addition to the **aggregate limit of liability** or a particular **limit of liability**. No **discovery period** will apply in the event that a **change in control** takes place in respect of the **member** during the **protection period**.

6.10 Sanctions

The **mutual** shall not be deemed to provide cover, nor be liable to pay any **claim** or provide any benefit, under this **protection** to the extent that the provision of such cover, payment of such **claim** or provision of such benefit, would expose the **mutual** to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of the Commonwealth of Australia and its States and Territories, the European Union, the United Kingdom, the United States of America or any other country.

6.11 Estates, Heirs, Legal Representatives and Domestic Partners

Coverage afforded to any estate, heir, legal representative, or domestic partner under the definition of **protected entity** will only be for a **claim** arising solely out of their status as such and, in the case of a domestic partner, where such **claim** seeks damages from marital community property, jointly held property or property transferred from such **protected entity** to the domestic partner. No coverage is provided for any act, error or omission of an estate, heir, legal representative, or domestic partner. All terms and conditions of this **protection**, including the **retention** applicable to damages or **claim** expenses incurred by the **protected entity**, shall also apply to damages and **claim** expenses incurred by such estate, heir, legal representative, and domestic partner.

6.12 Single Protection

This **protection** is a single contract of protection and even if more than one **protected entity** is covered, this **protection** is a single contract of protection for the benefit of the **protected entity** as a joint **protected entity** and accordingly:

- a) the **member** will act for itself and on behalf of all **protected entities** for all purposes under the **protection**;
- b) the **member** will act for itself and on behalf of all **protected entities** for the agreement and acceptance of any Endorsements issued to form part of this **protection**;
- c) payment of any **loss** under the **protection** to the **member** will fully release the **mutual** with respect to such **loss** under this **protection**; and

- d) if the **member** is more than one entity and one such entity ceases for any reason to be covered under the **protection**, then the remaining entities that fall within the definition of **member** will be considered to be the **member** for all purposes under this **protection**.

6.13 Confidentiality

The **protected entity** shall make all reasonable efforts not to disclose to any person the existence of this **protection**, the **limit of liability**, **aggregate limit of liability**, or the nature of the cover provided or the contribution payable, except:

- a) to professional advisers engaged by the **protected entity**;
- b) to the extent required by law; or
- c) with the **mutual's** prior written consent.

6.14 Cancellation

The **mutual** may cancel the **protection** for non-payment of the contribution after providing written notice to the **member** with at least thirty (30) days' notice.

6.15 Assignment and Amendment

- a) Neither this **protection** nor any right under it may be assigned without the **mutual's** prior written consent.
- b) No amendment to this **protection** will be effective unless it is made by written Endorsement signed by an authorised signatory of the **mutual**.

6.16 Currency

The contributions, **aggregate limit of liability**, **limit of liability**, **retentions**, and other amounts under this **protection** are expressed and payable in Australian dollars unless specifically prescribed otherwise.

If judgment is rendered, settlement is denominated or any other payment under the **protection** is stated in a currency other than Australian dollars, payment under the **protection** shall be made in Australian dollars at the cash exchange rate for the purchase of Australian dollars determined at the free market rate of exchange as published by the Australian Financial Review on the date the final judgment is reached, or the amount of the settlement is agreed, or any other payment under the **protection** is agreed.

6.17 Goods and Services Tax

The liability of the **mutual** under this **protection** for any payment to, or on behalf of, the **protected entity** shall be calculated taking into account any input tax credit to which the **protected entity** is entitled for any relevant acquisition or would have been entitled had the **protected entity** made such relevant acquisition. Any **retention** or **time retention** shall apply net of any entitlement the **protected entity** may have to an input tax credit.

6.18 Protection Interpretation

- a) Any interpretation of this **protection** relating to its construction, validity or operation shall be determined 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 the Commonwealth of Australia or that State or Territory.
- b) The words or phrases defined in the Definitions of this protection have special meaning attributed to them and are to be read accordingly.
- c) In the **protection**, unless the context otherwise requires:

- i) the titles of sections, clauses and paragraphs are descriptive only, and not an aid to interpretation;
- ii) singular terms used include the plural and vice versa;
- iii) references to specific legislation include amendments to and re-enactments of that legislation and equivalent legislation in the relevant jurisdiction; and
- iv) references to positions, offices or titles shall include their equivalents in any jurisdiction.

7. Definitions

In this **protection** the following words shall have the definitions that follow:

7.1 Adverse Publicity

The public dissemination in the media (including social media) of an actual or alleged **first party event** which damages the **protected entity's** brand, reputation, or customer trust.

7.2 Aggregate Limit of Liability

The maximum amount the **mutual** will pay under this **protection** as prescribed in the **schedule**.

7.3 Affiliate

Any:

- a) college, hall of residence, union, club, society, association, foundation or institute incorporated or unincorporated, affiliated with, registered with or operating within the framework of a **member** and formed by or with the knowledge and consent of a **member** or any entity referred to in this definition;
- b) entity wholly or partly owned or controlled by a **member** which has been accepted by the **mutual** as an affiliate and is prescribed as such in the **schedule**;
- c) entity which a **member** or any entity prescribed in a) and b) above has agreed to include in their **protections** but only to the extent required by such agreement

provided however, that any entity referred to in a) to c) above must be subject to the relevant **member's** information technology security controls and procedures.

Affiliate includes any past **affiliate** but only in relation to a **third party wrongful act** or **first party event** that occurred, or was alleged to have occurred, whilst it was an **affiliate** of a **member**.

7.4 Betterment Costs

Reasonable and necessary costs the **protected entity** incurs in responding to a **first party event** to enhance or improve a **computer system** or data contained therein to the extent any increase in performance or functionality is an unavoidable consequence of recovery, verification, reconstruction, restoration, recreating, re-loading, or replacing, of such **computer system** or data.

7.5 Bricking Costs

Reasonable and necessary costs the **protected entity** incurs in responding to a **bricking incident** to repair or replace a **computer device** or **IoT device** with identical or commercially equivalent items that perform the same function.

Bricking costs will be computed as of the date of loss at the place of the loss, and for no more than the interest of the **protected entity**. The adjustment of **bricking costs** will be subject to the lesser of the following:

- a) the cost to repair; and
- b) the cost to replace a **computer device** or **IoT device** even if such equipment has technological advantages, represents an improvement in function, or forms part of a program or system enhancement.

7.6 Bricking Incident

A **first party event** that renders a **computer device** or **IoT device** non-functional for its intended purpose, excluding the use and installation by the **protected entity** of any non-licensed software, firmware, or updates to any such software or firmware, if and only if, after reasonable efforts have been made such device cannot be restored to the level of functionality that existed immediately preceding the **first party event**.

7.7 Business Interruption Loss

loss of profit during the **period of restoration** the **protected entity** incurs resulting from a **network compromise** which directly causes a partial or total interruption or deterioration in the **protected entity's** business operations.

7.8 Breach Response Provider

The **mutual's** pre-approved breach response providers as prescribed by Endorsement to this **protection**.

7.9 Change in Control

Any:

- a) sale, merger or acquisition of the **member**;
- b) material change in the business activities of the **member** or, with respect to a particular **protected entity** only, of that **protected entity**;
- c) with respect to a particular **protected entity** only, the appointment of a receiver, liquidator, administrator, or trustee in bankruptcy, for that **protected entity**; or
- d) with respect to a particular **protected entity** only, any process whereby that **protected entity** becomes a **subsidiary** of another previously unaffiliated entity or becomes controlled by another previously unaffiliated entity by virtue of any law.

7.10 Claim

- a) A written demand for monetary or non-monetary relief arising from a **third party wrongful act**;
- b) A written communication alleging a **third party wrongful act**;
- c) An action alleging a **third party wrongful act** in a court of law or in arbitration; or
- d) With respect to Protection Agreement 1.4 Regulatory Defence and Fines, a **regulatory investigation**.

7.11 Computer Device

Desktop and laptop computers, associated input and output devices, mobile devices, data storage devices, networking equipment and back up facilities.

7.12 Computer System

A connected system of computing hardware, software, firmware and associated electronic components and mobile devices, including industrial control systems and SCADA systems (supervisory control and data acquisition systems) or other industrial information technology:

- a) under the ownership, operation or control of, or leased by, the **protected entity**; or
- b) under the ownership, operation or control of, or leased by, a **dependent business**, in respect of:
 - i) Protection Agreement 2.6 Contingent Business Interruption Loss; or
 - ii) Protection Agreement 2.8 Dependent System Failure Business Interruption Loss.

7.13 Confidential Business Information

Third party information, whether printed or digital, encrypted or unencrypted, in the care, custody or control of the **protected entity** or **outsourced provider**, including a trade secret, formula, pattern, compilation, program, device, method, technique, or process, that derives an actual or potential independent economic value from not being generally known or readily ascertainable through appropriate means by other persons and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

7.14 Consequential Reputational Loss

loss of profit during the **period of restoration** the **protected entity** incurs as a result of **adverse publicity** directly causing a total or partial interruption or deterioration in the **protected entity's** business operations. **Consequential reputational loss** shall not include any loss of any prospective bid, tender or contract prior to the bid, or tender or contract being awarded.

7.15 Contingent Business Interruption Loss

loss of profit during the **period of restoration** the **protected entity** incurs resulting from a **network compromise** to a **dependent business** which directly causes a total or partial interruption or deterioration in the **protected entity's** business operations.

7.16 Data Breach

The actual or reasonably suspected theft, loss or unauthorised acquisition of data or hardware containing data that has or may compromise the security, confidentiality or integrity of **personal data** or **confidential business information** held by the **protected entity**.

7.17 Data Breach Reporting Requirement

A provision in law that requires the **protected entity** to provide notification to a regulator, government authority, or the affected persons of a breach.

7.18 Data Recovery Costs

Reasonable and necessary costs charged by a **breach response provider** or **qualified provider**, and incurred by the **protected entity** with the prior written consent of the **mutual**, for the:

- a) reconstruction, reconstitution or restoration of the **protected entity's electronic data** which have been destroyed, lost, damaged, or altered, caused by a **first party event** but only up to the level which existed prior to the **first party event**; and
- b) removal of the **malware** which allowed the **protected entity's electronic data** to be destroyed, lost, damaged, or altered during the **first party event**.

7.19 Defence Costs

Reasonable legal fees and expenses incurred with the prior written consent of the **mutual** (unless paid under Extension 3.4 Emergency Defence Costs) in the defence of any **claim** or **regulatory investigation**.

7.20 Denial of Service Attack

An attack implemented over a network or the internet intended to disrupt the normal operations of a **computer system** and to render that system inaccessible to authorised users.

7.21 Dependent Business

Any entity from which the **protected entity** obtains **technology services** and relies on to conduct its business operations pursuant to a written contract.

7.22 Dependent System Failure Business Interruption Loss

loss of profit during the **period of restoration** the **protected entity** incurs resulting from a **system failure** to a **dependent business** which directly causes a total or partial interruption or deterioration in the **protected entity's** business operations. **Dependent system failure business interruption loss** does not include losses arising out of a loss of market share, loss arising out of liability to any third party, legal expenses, loss incurred as a result of unfavourable business conditions, or any other consequential loss.

7.23 Discovers

When a **responsible person** first has knowledge of any act, error, omission, or event, which could reasonably be foreseen to give rise to a **loss** covered by the **protection**, even though the exact amount or details of that **loss**, act, error, omission or event, are not known at the time of discovery.

7.24 Discovery Period

A period immediately following the expiry of the **protection period** during which written notice may be given to the **mutual** of a **claim** first made or brought against the **protected entity** during such period or the **protection period**, for a **third party wrongful act** committed or allegedly committed before the expiry of the **protection period**.

7.25 Electronic Data

Information in electronic form including, but not limited to, computer programmes.

7.26 Employee

Any natural person who was, is, or during the **protection period** becomes, employed by the **protected entity**.

7.27 Extortion Demand

Any **threat communication** from a third party or **rogue employee** related in any way to an actual or potential threat to start or continue to:

- a) disrupt the **computer system** to impair the business operations of the **protected entity**;
- b) alter, damage, or destroy data stored on the **protected entity's computer system**;
- c) use the **protected entity's computer system** to transmit **malware** to third parties;
- d) deface the **protected entity's** website;
- e) access, release, or otherwise misuse data, including **personal data**, or **confidential business information**, stored or previously stored on the **protected entity's computer system**;
- f) refuse to return data stolen from the **protected entity's computer system**;
- g) prevent access to the **protected entity's computer system** or data by using encryption and withholding the decryption key; or
- h) disclose any fact relating to the foregoing to the public or to any third party.

7.28 Extortion Expenses

The reasonable and necessary:

- a) money, digital currency, property, or other consideration surrendered as payment by or on behalf of the **protected entity**, if legally permissible, in order to prevent, limit or respond to an **extortion demand**; and
- b) costs charged by a **breach response provider** or a **qualified provider**, to conduct an investigation and advise the **protected entity** how to respond to and resolve the **extortion demand**.

Amounts surrendered as payment will be deemed reasonable and necessary **extortion expenses** only when the **protected entity** shows by clear evidence the amounts surrendered plus any **loss of profit** and **data recovery costs** otherwise covered by the **protection** is materially and measurably less than the sum of any **loss of profit** and **data recovery costs** that would have otherwise been covered by this **protection**. The **protected entity** must prepare and submit a complete and final proof of loss to the **mutual** in conformance with the conditions of the **protection** for the **mutual** to evaluate coverage under this provision. In no event will the **mutual** pay or commit to pay any **extortion expenses** before such amounts are actually paid by the **protected entity** and submitted to the **mutual** for reimbursement in conformance with this provision.

7.29 First Party Costs

Any one or more of the following:

- a) **privacy notification and crisis management costs**;
- b) **business interruption loss**;
- c) **contingent business interruption loss**;
- d) **data recovery costs**;
- e) **operational expenses**;
- f) **extortion expenses**;
- g) **betterment costs**;
- h) **bricking costs**;
- i) **consequential reputational loss**;
- j) **system failure business interruption loss**;
- k) **loss mitigation costs**;

- l) **voluntary shutdown business interruption loss**; or
- m) **dependent system failure business interruption loss**.

7.30 First Party Event

Any **network compromise, data breach, extortion demand, adverse publicity, system failure**, or **voluntary shutdown**, that triggers coverage under any of the Protection Agreements or Extensions.

7.31 IoT Device

Any network of physical objects that are embedded with sensors, software and other technologies, for the purpose of connecting and exchanging data with other devices and systems over the internet. The definition of **IoT device** shall include a **computer device**.

7.32 Limit of liability

The relevant amount prescribed for any given Protection Agreement in the **schedule** but shall not include the **aggregate limit of liability**.

7.33 Loss

- a) civil liability, damages, judgments, settlements, or other amounts the **protected entity** is legally required to pay to a third party as a result of a **claim**;
- b) **defence costs**;
- c) **regulatory fines**;
- d) **PCIDSS fines and costs**;
- e) **first party costs**;
- f) any amounts payable under any of the Extensions; or
- g) any amounts payable under any Endorsements to this **protection**.

Loss does not include:

- h) lost investment income;
- i) punitive, aggravated, or exemplary damages or the multiplied portion of any damages award;
- j) contractual penalties, service credits, or liquidated damages (but only to the extent that such liquidated damages exceed the amount for which the **protected entity** would have been liable in the absence of such liquidated damages clause), except any amounts payable under:
 - i) Protection Agreement 1.3 Payment Card Industry Data Security Standard Liability; or
 - ii) Extension 3.3 Contractual Liability;
- k) civil or criminal fines or penalties or compliance violation remedies imposed on a **protected entity**, other than any **regulatory fine** covered under Protection Agreement 1.4 Regulatory Defence and Fines;
- l) taxes incurred by any person or entity;
- m) the **protected entity's** costs or expenses of complying with any injunctive relief or any form of equitable relief;
- n) the monetary value of any electronic fund transfer or transaction, securities, coupons, price discounts, prizes, awards, rewards, loyalty points, or the like, which is lost or diminished arising out of any social engineering fraud, funds transfer fraud, or invoice manipulation;
- o) any amounts incurred to enhance or improve a **computer system** or data contained therein to a level beyond the state existing prior to a **first party event**, except any amounts payable under Protection Agreement 2.2 Betterment Costs; or

p) any royalty or licensing fees or payments.

7.34 Loss Mitigation Costs

Reasonable and necessary costs incurred by the **protected entity** with the **mutual's** prior written consent, in taking action for the sole purpose of avoiding or mitigating a **claim** which the **protected entity** establishes to the **mutual's** satisfaction might otherwise reasonably have been expected to give rise to a covered **loss** if such measures were not taken.

7.35 Loss of profit

Net income (net profit or net loss before income taxes) that could have reasonably been earned or net loss that could have reasonably been avoided, including the costs of retaining a forensic accountant to determine such amount. Such forensic accountant will be selected by the **mutual**.

A **loss of profit** calculation:

- a) is based upon the amount of actual loss of business income the **protected entity** sustains per hour during the **period of restoration** taking into account any trends, variations, or circumstances of the **protected entity**, both before or after the **first party event**, which would have affected the **protected entity** had the **first party event** not occurred; and
- b) shall not include any liability to any third party, or any consequential loss except any amounts payable under Protection Agreement 2.5 Consequential Reputational Loss.

7.36 Malware

Any unauthorised, corrupting or harmful code which has inserted itself or been inserted into a **computer system**.

7.37 Matter

The content of communication, including language, data, facts, fiction, music, photographs, images, artistic expression, or visual or graphical materials.

7.38 Media Wrongful Act

Any:

- a) libel, slander, or any other form of defamation or harm to the character or reputation of any person or entity, including product disparagement or trade libel;
- b) copyright infringement or misappropriation of property rights, information or ideas or dilution or infringement of title, slogan, trademark, trade dress, logo, trade name, service mark or service name;
- c) any misstatement or misrepresentation under the terms of the *Competition and Consumer Act 2010* (Cth);
- d) invasion or infringement of the right of privacy or publicity, including the torts of intrusion upon seclusion, publication of private facts, false light, and misappropriation of name or likeness;
- e) infliction of emotional distress or mental anguish;
- f) harassment, trespass, wrongful entry or eviction, eavesdropping, or other invasion of the right of private occupancy; or
- g) plagiarism, piracy, or misappropriation of ideas under implied contract

resulting from the **protected entity** acquiring, blogging, broadcasting, collecting, disseminating, distributing, editing, exhibiting, gathering, obtaining, posting, producing,

publishing, releasing, researching, recording, tweeting or uttering, any **matter** through traditional and/or digital methods, including, cable television, radio, movie and music studios, public speaking, newspapers, magazines, books and print publications, website, applications, CD-ROMs and DVDs.

7.39 Member

As prescribed in the **schedule**.

7.40 Merchant Services Agreement

An agreement between the **protected entity** and a financial institution, credit/debit card company, credit/debit card processor, or independent service operator, enabling the **protected entity** to accept credit card, debit card, pre-paid card, or other payment cards for payments or donations.

7.41 Mutual

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7.42 Network Compromise

Any **unauthorised access** to, use or misuse of, or modification to the **computer system**, or the denial of **computer system** resources by attacks perpetuated through any electronic means, including **malware**, viruses, worms and Trojan horses, spyware, zero-day attacks, hacker attacks, and **denial of service attacks**.

7.43 Official Entity

Any regulator, government, government body, governmental or administrative agency, self-regulatory body recognised in that capacity under applicable law, or official trade body.

7.44 Operational Expenses

Reasonable and necessary expenses, including payroll, in excess of the **protected entity's** normal operating expenses, incurred during the applicable **period of restoration** to reduce or avoid **loss of profit**, resulting directly from a partial or total interruption or deterioration in the **protected entity's** business operations caused by a **first party event**.

Operational expenses does not include any legal expenses and shall not exceed the **limit of liability** prescribed in the **schedule** for the Protection Agreements or the Extensions that provide the corresponding cover for **loss of profit** which the **operational expenses** are incurred to reduce or avoid.

7.45 Outsourced Provider

Any third party, including a cloud service provider, to which a **protected entity** has contracted to provide a business process on behalf and for the benefit of the **protected entity**.

7.46 PCIDSS Fines and Costs

Fines, penalties, assessments, fraud recovery and operational expense recovery the **protected entity** is contractually required to pay under its **merchant services agreement** as a result of a **PCIDSS wrongful act**. **PCIDSS fines and costs** does not include any interchange fees, discount fees or prospective service fees.

7.47 PCIDSS Wrongful Act

Any actual or alleged **first party event** or **privacy and security wrongful act** resulting in the unauthorised acquisition of cardholder data as defined under the Payment Card Industry Data Security Standards.

7.48 Period of Restoration

- a) In respect of a claim for **consequential reputational loss**, the period of time that begins when there is **adverse publicity** and ends on the date such **adverse publicity** ends which shall not exceed the maximum number of days prescribed in the **schedule**; or
- b) otherwise the period of time that begins when there has been an interruption or suspension (whether partial or full) of the **computer system** which is caused by a **first party event** and ends on the date such interruption or suspension ends which shall not exceed the maximum number of days prescribed in the schedule.

7.49 Personal Data

Information, whether printed or digital, encrypted or unencrypted, in the care, custody or control of a **protected entity** or **outsourced provider**, that alone or in conjunction with other information can be used to uniquely identify an individual.

7.50 Protected Entity

Any one or more of the following:

- a) the **member**;
- b) any **subsidiary**;
- c) any **affiliate**;
- d) any past or present employee, director, officer, member, principal, partner, trustee, leased, temporary, seasonal employee/worker and volunteer of the **member** or any **subsidiary** or affiliate acting in their capacity and in accordance with their authority as such;
- e) the estate, heir, legal representative and any domestic partner of a natural person protected under the **protection**; or
- f) solely with respect to coverage under Protection Agreement 1.1 Media, any person or entity that disseminates matter on behalf and for the benefit of the **protected entity** where, prior to such dissemination, a **protected entity** has agreed in writing to include such person or entity as a **protected entity** under the **protection**.

Protected entity does not include any **rogue employee**.

7.51 Protection

This wording, the **schedule** and any Endorsements to this wording.

7.52 Protection Period

The period from the inception date until the expiry date as prescribed in the **schedule**.

7.53 Privacy Notification and Crisis Management Costs

- a) The reasonable costs charged by a **breach response provider** or a **qualified provider**, incurred by the **protected entity** with the **mutual's** written consent in responding to a first party event for:
 - i) determining the actions necessary to respond to comply with legislation;

- ii) notifying individuals who are required to be notified pursuant to any legislation;
 - iii) performing computer forensics to determine the existence, cause, and scope of the **first party event**;
 - iv) voluntarily notifying individuals who may not be required to be notified under any applicable legislation;
 - v) operating a call centre to manage inquiries from individuals affected;
 - vi) providing credit or identity monitoring and identity protection for those individuals whose **personal data** was or may have been breached; and
 - vii) hiring a public relations or crisis communication firm solely in order to provide advice in order to minimise harm to the **protected entity's** reputation.
- b) The reasonable and necessary costs incurred by the **protected entity** in responding to a **first party event**, with the **mutual's** written consent and for the sole purpose of avoiding or mitigating a **claim** alleging a **privacy and security wrongful act**, to replace identity and essential records of those individuals whose **personal data** held by the **protected entity** was the subject of actual theft, loss, or unauthorised acquisition.
- c) Costs charged by a PCI forensics investigator to perform forensics to determine the existence, cause and scope of a breach or suspected breach of cardholder data.

7.54 Privacy and Security Wrongful Act

- a) Loss, theft or failure to reasonably protect **personal data** or **confidential business information**;
- b) Violation of any law governing the authenticity, availability, confidentiality, storage, control, disclosure, integrity, or use of **personal data**;
- c) Violation of a **data breach reporting requirement**;
- d) Failure to reasonably implement privacy or security practices required by law;
- e) Negligence resulting in a failure to prevent a **first party event** that results in:
 - i) the inability of an authorised third party user to gain access to the **protected entity's computer system**;
 - ii) the malicious addition, alteration, copy, destruction, deletion, disclosure, damage, removal or theft of data residing on the **protected entity's computer system**;
 - iii) a **denial of service attack** emanating from the **protected entity's computer system**; or
 - iv) the transmission of **malware** from the **protected entity's computer system** to third parties.
- f) Failure to comply with the **protected entity's** privacy policy and/or privacy notice.

7.55 Qualified Provider

A qualified provider that is not a **breach response provider** in responding to a **first party event** that:

- a) is pre-approved in writing by the **mutual**;
- b) provides comparable services to those of a **breach response provider**; and
- c) whose rate shall not exceed the rate the **mutual** has pre-negotiated with the breach **response providers**.

7.56 Ransomware Event

Any and all **claims**, **regulatory investigations**, and **first party event**, arising out of, in connection with, or in any way involving an **extortion demand** for which the **protection** provides cover under any of the Protection Agreements, Extensions, or Endorsements to this **protection**.

7.57 Ransomware Event Loss

Any and all **loss**, costs, fees or expenses incurred in connection with, arising out of, or in any way involving a **ransomware event**, regardless of whether such **loss** consists of damages, **defence costs**, **regulatory fines**, **first party costs**, or any other amounts payable by the **mutual** under the **protection**.

7.58 Regulatory Fine

A civil fine or civil monetary penalty that is insurable at law and imposed by a regulator or governmental authority arising from a **regulatory investigation**.

7.59 Regulatory Investigation

An actual or threatened investigation in writing by a regulator or governmental authority into an actual or alleged **third party wrongful act** or **first party event** caused by the **protected entity** or an **outsourced provider** acting with authority on behalf of the **protected entity**.

7.60 Responsible Person

The Executive Director, Chief Executive Officer, Chief Financial Officer, Chief Information Officer, Chief Security Officer, Chief Technology Officer, Head of Legal, Compliance Officer, Head of Audit, Risk Manager or Insurance Manager (or equivalent position of any of the foregoing) of the **member**.

7.61 Retention

The first part of **loss** sustained by the **protected entity** for which the **protected entity** is self-protected and which it will retain for its own account as prescribed in the **schedule**.

7.62 Retroactive Date

The date prescribed in the **schedule**.

7.63 Rogue Employee

An **employee** who willfully or deliberately acts outside the course and scope of his or her employment and whose intentional conduct results in a **claim** or **first party event**. **Rogue employee** does not include any **responsible person**.

7.64 Schedule

The **schedule** attaching to and forming part of this **protection**.

7.65 Subsidiary

Any entity, other than an investment vehicle, in which the **member**, either directly or through one or more entities:

- a) controls the composition of the board of directors;
- b) controls more than half of the shareholder voting power; or
- c) holds more than half of the issued share capital;

on or before the inception date of the **protection**.

7.66 System Failure

Any unintentional and unplanned outage or failure of a **computer system**.

7.67 System Failure Business Interruption Loss

loss of profit during the **period of restoration** the **protected entity** incurs resulting from a **system failure** which directly causes a partial or total interruption or deterioration in the **protected entity's** business operations.

7.68 Technology Services

- a) any computer, cloud computing, information technology, telecommunication, or electronic services; or
- b) any related consulting and staffing services of the abovementioned services including:
 - i) data processing;
 - ii) data and application hosting;
 - iii) the provision of managed services;
 - iv) software as a service (SaaS);
 - v) platform as a service (PaaS);
 - vi) infrastructure as a service (IaaS);
 - vii) network as a service (NaaS);
 - viii) computer systems analysis;
 - ix) computer consulting and training;
 - x) programming;
 - xi) computer systems installation, management, repair, and maintenance;
 - xii) network design; or
 - xiii) internet service.

7.69 Third Party Wrongful Act

Any **media wrongful act**, **PCIDSS wrongful act**, or **privacy and security wrongful act**.

7.70 Threat Communication

A threat made demanding or seeking payment and/or other consideration in exchange for, or in connection with, the prevention, elimination, mitigation, or removal of a threat against the **protected entity**; or any communications intended to initiate such communications with the **protected entity**.

7.71 Time Retention

The period of time prescribed in the **schedule** that must pass after the start of the applicable **period of restoration**, during which the **protected entity** is self-protected and which it will retain for its own account, before the **mutual** becomes liable for any **loss of profit** payable under this **protection**.

7.72 Unauthorised Access

The gaining of access to a **computer system** by a person or persons not authorised by the **protected entity** to do so.

7.73 Voluntary Shutdown

Action taken by the **protected entity** to suspend, shut down or interrupt the **protected entity's computer system**, in whole or in part, where the Chief Information Security Officer (or functional equivalent) has assessed such action as reasonable to mitigate the effects of any actual, alleged, or suspected **first party event**.



7.74 Voluntary Shutdown Business Interruption Loss

loss of profit during the **period of restoration** the **protected entity** incurs resulting from a **voluntary shutdown** which directly causes a partial or total interruption or deterioration in the **protected entity's** business operations.



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Unimutual Limited

Product Disclosure Statement

PART 7 – Environmental Protection

This is Part 7 of the PDS dated 1 November 2023 issued by

Unimutual Limited
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AFS Licence No: 241 142
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The **Member** is entitled to have Claims for **protection** considered by **our** Board. The Board will consider the **member's** Claims for **protection** in accordance with the terms, conditions, definitions and exclusions and effected endorsements of these **protections**. Please note that these **protections** should be read in conjunction with the **Certificate of Entry** and **schedule** issued to the **member** and our Rules and Constitution.

1. What is Protected

We may agree to pay on your behalf for Protections provided, as identified on the Schedule for:

1.1 New Pollution Conditions

Claims, Remediation costs, and associated **Legal Defence Expenses**, in excess of the **Retention**, arising out of a **Pollution condition** on, at, under, or migrating from the **Protected location(s)**, provided the **Claim** is first made, or you first discover such **Pollution condition** during the **Protection Period**. Any such **Claim** or discovery must be reported to us, in writing, during the Protection period or any applicable **Extended Reporting Protection Period**. The coverage afforded under this Section 1.1 only applies to **Pollution Conditions** that first commence, in their entirety, on or after the protection inception date shown in the Schedule.

1.2 Pre-Existing Pollution Conditions

Claims, Remediation Costs, and associated **Legal Defence Expenses**, in excess of the **Retention**, arising out of a **Pollution condition** on, at, under, or migrating from the **Protected location(s)**, provided the **Claim** is first made, or You first discover such **Pollution Condition** during the **Protection Period**. Any such **Claim** or discovery must be reported to us, in writing, during the **Protection Period** or any applicable **Extended Reporting Protection Period**. The coverage afforded under this Section 1.2 only applies to **Pollution Conditions** that first commenced, in whole or part, prior to the protection inception date shown in the Schedule.

2. Limits of Liability and Retention

- 2.1 It is expressly agreed that our obligation to pay for any protected **Claim(s)**, Remediation Costs, or Legal Defence Expense(s) shall attach to us only after **You** shall have paid in the applicable legal currency the full amount of the **Retention**. Under no circumstances shall **we** pay any amount within the **Retention**.
- 2.2 The **Retention** shall apply to all **Claim(s)**, Remediation cost(s), and legal Defence expense(s) arising from the same, continuous, repeated, or related **Pollution Condition**.
- 2.3 With respect to New **Pollution Conditions**, and subject to 2.4 and 2.7 below, the most **We** may pay for all **Claims, Remediation Costs**, and **Legal Defence Expenses** arising from the same, continuous, repeated, or relaxed **Pollution condition** is the Limit shown in the Schedule.
- 2.4 With respect to New **Pollution Conditions**, and subject to 2.7 below, the Limit show in the Schedule shall be Our maximum limit of protection under this Protection with respect to all **Claim(s)** Remediation cost(s), and **Legal Defence expense(s)** for all **Pollution Conditions**.
- 2.5 With respect to **Pre-Existing Pollution Conditions**, and subject to 2.6 and 2.7 below, the most **We** may pay for all **Claims Remediation costs**, and Legal Defence expenses arising from the same, continuous, repeated or related **Pollution condition** is the Limit shown in the Schedule.
- 2.6 With respect to **Pre-Existing Pollution Conditions**, and subject to 2.7 below, the Limit shown in the Schedule shall be our maximum limit of protection with respect to all **Claim(s)**, Remediation cost(s), and **Legal Defence expense(s)** for all **Pollution Conditions**.



- 2.7 The Limit show in the Schedule shall be our limit of Protection with respect to all **Claim(s)**, Remediation cost(s), and **Legal Defence expense(s)** for all **Pollution conditions** under New **Pollution Conditions** and **Pre-Existing Pollution Conditions**.
- 2.8 If **We** have issued a claims-made Environmental Liability Protection for the **Protected Location** in one or more protection periods and:
- i) The discovery of a **Pollution Condition** is reported to us in accordance with the terms and conditions of this Protection, then all such continuous, repeated, or related **Pollution conditions** that are reported to us under a subsequent Environmental Liability Protection shall be deemed to have been discovered during time **Protection Period**; and
 - ii) All **Claims** for **Bodily Injury, Property Damage, or Remediation Costs** arising out of a **Pollution Condition** that was discovered during this **Protection Period**, including any continuous, repeated, or related **Pollution Conditions**, shall be deemed to have been first made and reported during this **Protection Period**, provided that you have maintained Environmental Liability protection with Us on a continuous uninterrupted basis since the discovery of such pollution condition or the first such **Claim** was made against the you, and reported to Us.

3. Defence and Settlement

- 3.1 **We** will have the right and to defend you against a **Claim** to which is Protection applies. **We** shall have no duty to defend you against any **Claim(s)** to which this protection does not apply. Our duty to defend ends once the Limits of Protection are exhausted or are tendered into a court of applicable jurisdiction or once you refuse a settlement offer as provided in 3.5 below.
- 3.2 **We** will have the right to select legal counsel to represent you for the investigation, adjustment, and Defence of any **Claim(s)** covered under this Protection. Selection of legal counsel by **Us** shall not be done without your consent; such consent shall not be unreasonably withheld. **Legal Defence Expenses** incurred prior to the selection of legal counsel by **Us** will not be covered under this Protection, or credited against the **Retention**.
- 3.3 You will have the right and the duty to retain a qualified environmental consultant(s) to perform any investigation and/or remediation of any **Pollution Condition** covered under this Protection. You must receive our written consent prior to the selection and retention of such consultant, except in the event of an Emergency Response. Any costs incurred prior to such consent will not be covered under this Protection, or credited against the **Retention**, except in the event of an Emergency Response.
- 3.4 **Legal Defence Expenses** reduces the Limits of Protection shown in the Schedule and shall be applied to the **Retention**.
- 3.5 **We** will present all settlement offers to you. If **We** recommend a settlement which is acceptable to a claimant, exceeds any applicable **Retention**, is within the Limits of Protection, and does not impose any additional unreasonable burden(s) on you, and you refuse to consent to such settlement offer, then our duty to defend shall end. You shall defend such **Claim** independently. Our liability shall not exceed the amount for which the **Claim** could have been settled if the our recommendation had been accepted, exclusive of the **Retention**.

4. Coverage Territory

The overage afforded under this Protection shall apply to Covered Location(s) worldwide.

5. Definitions

- 5.1 **Additional Person/Entity** means the person(s) or entity(ies) specifically endorsed onto this Protection as an **Additional Person/Entity**, if any. Such **Additional Person/Entity** shall maintain only those rights under this Protection as are specified by endorsement.
- 5.2 **Bodily Injury** means physical injury, illness, disease, mental anguish, emotional distress, or shock sustained by any person, including death resulting therefrom.
- 5.3 **Claim** means the assertion of a legal right, including but not limited to a Government action(s), suits or other actions alleging responsibility or liability on your part for **Bodily Injury**, **Property Damage**, or **Remediation Costs** arising out of **Pollution Conditions** to which this protection applies.
- 5.4 **Contingent Transportation** means the movement of your waste or products by automobile, aircraft, watercraft, or other conveyance beyond the boundaries of the Covered Location(s) by a person or entity, other than you, engaged in the business of transporting property to hire, until such time as the waste or product is unloaded from an automobile, aircraft, watercraft, or other conveyance.
- 5.5 **Covered Location** means any location(s) specifically listed in the Schedule or any other location specifically endorsed onto this Protection as a **Protected Location**.
- 5.6 **Emergency Response** means actions taken, and reasonable **Remediation costs** incurred by you to abate and/or respond to an imminent and substantial threat to human health or the environment arising from a **Pollution Condition**.
- 5.7 **Environmental Indemnity Obligations** means your obligations to defend indemnify, and hold harmless, or any assumption or liability with respect to **Pollution Conditions** to which this protection applies, pursuant to a contract listed on the Schedule or Contacts Endorsement, if any.
- 5.8 **Environmental Laws** means any federal, state, provincial, municipal, or other local laws, statutes, ordinances, rules, guidance documents, regulations, and all amendments thereto, including state voluntary cleanup or risk-based corrective action guidance, governing the liability or your responsibilities with respect to **Pollution Conditions**.
- 5.9 **Extended Reporting Protection Period** means the additional protection period in which to report a **Claim** first made against you subsequent to the end of the **Protection Period** arising from **Pollution Conditions** to which this protection applies.
- 5.10 **Exterior Insulation and Finish System (EIFS)** means synthetic stucco or any other exterior insulation and finish system used on any part of any building or structure and consisting of:
- i) A rigid or semi-rigid insulation board made of expanded polystyrene or other materials.
 - ii) The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate.
 - iii) A reinforced base coat; and
 - iv) A finish coat providing surface texture and colour.
- 5.11 **Fungi** means any type or form of fungus, including mould or mildew, and any mycotoxins, spores, scents, or by-products produced or released by **Fungi**.

- 5.12 **Government Action** means action taken or liability imposed by any federal, state, provincial, municipal or other local government agency or body acting under the authority of **Environmental Laws**.
- 5.13 You means the **Member**, any Named Party(ies), or any Affiliate or Protected Person and any past or present director, officer, partner, or employee of any **Member**, named party(ies) or affiliate or Protected Person while acting within the scope of his or her duties as such.
- 5.14 Legal Defence Expense means reasonable legal costs, charges, and expenses, including expert charges, incurred by you in the investigation, adjustment, or Defence of **Claims** or suits.
- 5.15 Low Level Radioactive Waste means waste that is radioactive but not classified as the following: High-level waste (spend nuclear fuel or the highly radioactive waste produced if spent fuel is reprocessed), uranium milling residues, and waste with greater than specified qualities or elements heavier than uranium.
- 5.16 **Member** means the entity as shown in the Schedule. The **Member** is the party responsible for payment of all contributions and **Retentions**. The **Member** will also serve as the sole agent or behalf of all protected persons with respect to the provision and receipt of notice(s), including notice of cancellation or non-renewal, receipt and acceptance or any endorsement(s) or any other change(s) to this protection, return of any contribution, assignment of any interest(s) under this protection, as well as the exercise of any applicable **Extended Reporting Period**, unless any such responsibilities are otherwise designated by endorsement.
- 5.17 **Named Party** means the person(s) or entity(ies) specifically endorsed onto this Protection as a **Names Party(ies)**, if any. Such **Named party(ies)**, shall maintain the same rights under this Protection as the **Member** unless otherwise specified by endorsement.
- 5.18 **Natural Resource Damage** shall mean damages for injury to or damage to or damage sustained by, or destruction, or loss of fish, wildlife, biota, land, air, water, groundwater, drinking water supplies and other similar resources belonging to, managed by or held in trust by, appertaining to, or otherwise controlled by any government or local government authority.
- 5.19 **Non-Owned Disposal Site** means a site not owned or operated by you and in which you maintain no ownership interest, which receives or has received your waste.
- 5.20 **Protection Period** means, the period shown in the Schedule of the Declaration for **New Pollution Conditions**, and/or for **Pre-Existing Pollution Conditions**, or any shorter **Protection Period** resulting from the cancellation of this Protection.
- 5.21 **Pollution Condition** means the discharge, dispersal, release, escape, migration, or seepage or any solid, liquid, gaseous or thermal irritant, contaminant, or pollutant, including smoke, soot, vapours, fumes, acids, alkalis, chemicals, **Fungi**, hazardous substances, hazardous materials, or waste materials, on, in, into, or upon land structures thereupon, the atmosphere, surface water, or groundwater. For the purpose of this definition, waste materials includes but is not limited to **Low Level Radioactive Waste**.
- 5.22 **Property Damage** means:
- i) Physical injury to, or destruction of, tangible property owned by third parties, including all resulting loss of use of that property.
 - ii) Loss of use of tangible property owned by third parties, that is not physically injured or destroyed.
 - iii) Diminished value of property owned by third parties; and
 - iv) **Natural Resource Damages**



- 5.23 **Remediation Costs** means reasonable expenses incurred to investigate, quantify, monitor, mitigate, abate, removed, dispose, treat, neutralise, or immobilize **Pollution Conditions** to the extent required by **Environmental Law**. **Remediation Costs** shall also include:
- i) Reasonable legal cost where such cost has been incurred by you with our written consent, and
 - ii) Reasonable expenses required to restore, repair or replace real or personal property, to substantially the same condition it was in prior to being damaged during the course of responding to a **Pollution Condition**.
- 5.24 **Responsible Person** means any of your employees responsible for environmental affairs, control, or compliance at a **Covered Location**, and any of your officers, directors or partners.
- 5.25 **Retention** means the dollar amount indicated in the Schedule for **New Pollution Conditions**, and/or for **Pre-Existing Pollution Conditions**, or as otherwise designated by endorsement, if any.
- 5.26 **Terrorism** means activities against persons, organisations or property of any nature.
- i) That involve the following or preparation for the following:
 - a) Use or threat of force or violence; or
 - b) Commission or threat of a dangerous act; or
 - c) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - ii) When one or both of the following applies:
 - a) The effect is to intimidate or coerce a government of the civilian population or any segment thereof, or to disrupt any segment of the economy, or
 - b) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
- 5.27 **Underground Storage Tank** means any tank and associated piping and appurtenances connected thereto which tank has more than 10% of its volume below ground.
- 5.28 **War** means war, whether or not declared, civil war, martial law, insurrection, revolution, invasion, bombardment or any use of military force, usurped power or confiscation, nationalization or damage of property by any government, military or other authority.
- 5.29 **We, us, our**

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6. Exclusions

This Protection does not apply to **Claim(s)**, **Remediation Costs**, or **Legal Defence Expense(s)**, arising out of or related to:

6.1 Asbestos



Asbestos, or asbestos containing materials, in, on, or applied to any building or other structure. This exclusion does not apply to asbestos, or asbestos containing materials, in soil or groundwater.

6.2 Contractual Liability

Liability of others assumed by you through contract or agreement, except if the liability would have attached to you in the absence of such contract or agreement. This exclusion does not apply to environmental indemnity obligations”.

6.3 Divested Property

Pollution Condition(s) at **Covered Location(s)** where such **Pollution Condition(s)** first commenced after the **Covered Location(s)** had been sold, abandoned, or given away by you, or was condemned. This exclusion shall not apply to **Pre-Existing Pollution Conditions**.

6.4 Employers Liability

Bodily Injury to:

- i) Any **Member** or an employee of its parent, subsidiary or affiliate
 - a) Arising out of an in the course of employment by any you or your parent, subsidiary or affiliate; or
 - b) Performing duties related to the conduct of your business.
- ii) The spouse, child, parent, brother or system of such **Protected Entity** or employee of its parent, subsidiary or affiliate as a consequence of Paragraph 1 above.

The exclusion applies:

- i) Whether the you may be liable as an employer or in any other capacity, and
- ii) To any obligation to share damages with or repay someone else who must pay damages because of such “bodily injury”.

6.5 Exterior Insulation and Finish System (EIFS)

Fungi, where such **Fungi** is caused by or related to the presence or use of an **Exterior Insulation and Finish System (EIFS)**, synthetic stucco, or any similar product or any part thereof, including the application or use of paints, conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a product.

6.6 Fines and Penalties

Payment of fines, penalties, punitive, exemplary or multiplied damages based upon or arising out of you knowing, willful, or deliberate non-compliance with any statute, regulation, ordinance or administrative complaint. This exclusion will not apply to coverage for punitive damages where such coverage is allowable by law.

6.7 First-Party Property Damage

Damage to real or personal property owned by, leased to, loaned to, or rented by you, or otherwise in your care, custody, or control. This exclusion does not apply to **Remediation Costs**.

6.8 Your Internal Expenses

Expenses incurred by you for services performed by the salaried staff and any of your employees.

6.9 Intentional Non-compliance

The intentional disregard of or knowing, willful, or deliberate non-compliance with any statute, regulation, administrative complaint, notice or violation, notice letter, instruction of any governmental agency or body, or executive, judicial or administrative order by any **Responsible Person**.

6.10 Known Conditions

Pollution conditions in existence prior to the **Protection Period** and reported to a **Responsible Person**, but not specifically referenced, or identified in documents listed, on the schedule or Known Conditions Endorsement attached to this Protection. Any **Pollution Conditions** specifically referenced, or identified in documents listed, on the Schedule of Known Conditions Endorsement are deemed to be first discovered during the **Protection Period**.

6.11 Lead Based Paint

Lead based paint in, on, or applied to any building or other structure. This exclusion does not apply to lead based paint in soil or groundwater.

6.12 Naturally Occurring Materials

Arising out of the presence or removal of naturally occurring materials, except in those circumstances where such substances are present at the **Covered Location(s)** as a result of human activities or processes.

6.13 Non-Owned Disposal Sites (NODS)

Pollution Conditions on, at, under or migrating from a **Non-Owned Disposal Site**. This exclusion shall not apply to any **Non-Owned Disposal Site** listed on the Schedule or **Non-Owned Disposal Site Endorsement**, if any.

6.14 Material Change in Risk

A change in the use or operations at a **Covered Location** that materially increases the likelihood or severity of **Pollution Condition(s)** or **Claim(s)** from the intended use(s) or operations, as of the inception date(s) of this Protection.

6.15 Underground Storage Tanks

Pollution Conditions emanating from an Underground Storage Tank located at a Covered Location:

- i) When the existence of such **Underground Storage Tank** was known to a **Responsible Person** prior to the **Protection Period**, and
- ii) Which **Underground Storage Tank** is not listed in the Schedule or Protected Underground Storage Tanks, if applicable: or
- iii) If an **Underground Storage Tank** has been closed or removed, and is not identified on the Schedule of Known Conditions Endorsement, if applicable.

6.16 Vehicles

Pollution Conditions resulting from the use, maintenance or operation, including loading or unloading, or an automobile, aircraft, watercraft, or other conveyance beyond the boundaries of the **Covered Location(s)**. This exclusion shall not apply to **Contingent Transportation**, if such coverage is added to this Protection by endorsement.



6.17 War or Terrorism

Pollution Conditions attributable, whether directly or indirectly, to any acts that involve, or that involve preparation for War or Terrorism regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

7. Reporting and Cooperation

7.1 The **Member** must see to it that we receive written notice of any **Claim** or **Pollution Condition**, as soon as practicable. Notice should include reasonably detailed information as to:

- i) Your identity, including contact information for an appropriate person to contact regarding the handling of the **Claim** or **Pollution Condition**;
- ii) The identity of **Covered Location**;
- iii) The nature of the **Claim** or **Pollution Condition**; and
- iv) Any steps undertaken by you to respond to the **Claim** or **Pollution Condition**.

In the event of a **Pollution Condition**, you must also take all reasonable measures to provide immediate verbal notice to us.

7.2 The Member must:

- i) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with any **Claim**.
- ii) Authorise us to obtain records and other information;
- iii) Corporate with us in the investigation, settlement or Defence of the **Claim**;
- iv) Assist Us upon our request, in the enforcement of any right against any person or organization which may be liable to you because of injury or damage to which this Protection may also apply; and
- v) Provide us with such information and cooperation as it may reasonably require.
 - a) No **Member** shall make or authorize an admission of liability or attempt to settle or otherwise dispose of any **Claim** without our written consent. Nor shall any **Member** retain any consultants or incur any **Remediation Costs** without Our prior written consent, except in the event of an Emergency Response.
 - b) Upon the discovery of a **Pollution Condition**, the **Member** shall make every attempt to mitigate any loss and comply with applicable Environmental Laws. We shall have the right, but not the duty, to mitigate such **Pollution Conditions** if, in our sole judgement, the **Member** fails to take reasonable steps to do so. In that event, any **Remediation Costs** incurred by us shall be deemed incurred by this member and shall be subject to the **Retention** and Limits or Protection listed in the Schedule.

8. Extended Reporting Period

8.1 The **Member** shall be entitled to a basic **Extended Reporting Protection Period**, and may purchase an optional supplemental **Extended Reporting Protection Period**, following cancellation, as described in paragraph **A.1.** or Section **IX.** General Conditions or non-renewal.



- 8.2 **Extended Reporting Protection Period** shall not reinstate or increase any of the Limits of Protection. **Extended Reporting Protection Period** shall not extend the **Protection Period** or change the scope of protection provided. A claim first made against a member and reported to us within the basis **Extended Reporting Protection Period** or supplemental **Extended Reporting Protection Period** whichever is applicable, will be deemed to have been made on the last day of the **Protection Period**.
- 8.3 Provided the **Member** has not purchased any other protection or insurance to replace this Protection, the **Member** shall have a sixty (60) day basic **Extended Reporting Period** without additional charge.
- 8.4 The **Member** shall be entitled to purchase a supplemental Extended Reporting Protection period of up to thirty-four (34) months for not more than 200% of the full contribution. Such supplemental **Extended Reporting Protection Period** starts when the basic **Extended Reporting Protection Period** ends. We will issue an endorsement providing a supplemental **Extended Reporting Protection Period** provided that the **Member**:
- i) Makes a written request, to the address shown in the Schedule, for such endorsement which we receive prior to the expiration of the **Protection Period**: and
 - ii) Pays the additional Contribution when due. If that additional Contribution is paid when due, the supplemental **Extended Reporting Protection Period** may not be cancelled, provided that all other terms and conditions of the Protection are met.

9. General Conditions

9.1 Cancellation

As per the Unimutual Rules and Constitution

9.2 Inspection and Audit

To the extent of the **Member's** ability to provide such access, and with reasonable notice to the **Member**, we shall be permitted, but not obligated, to inspect and sample the "covered locations". The **Member** shall have the concurrent right to collect split samples. Neither our right to make inspections, the making of said inspections, nor any report hereon shall constitute an undertaking, on behalf of or for the benefit of the member or others, to determine or warrant that such property or operations are safe or in compliance with "environmental law", or any other law. We may examine and audit the member's books and records during this **Protection Period** and extensions thereof and within three (3) years after the final termination of this Protection.

9.3 Bankruptcy

Bankruptcy or insolvency of the **Member** or of the **Member's** estate shall not relieve the Mutual of any of its obligations hereunder.

9.4 Subrogation

In the event of any payment under this Protection by, Us, We shall be subrogated to all of the rights of recovery against any person or organization, and the member shall execute and delivery instruments and papers and do whatever else is necessary to secure such rights. The **Members** shall do nothing to prejudice such rights. Any recovery as a result of subrogation proceedings arising under this Protection shall accrue first to the **Members** to the extent of any payments in excess of the limit of coverage; then to us to the extent of its payment under the Protection and then to the **Member** to the extent of the **Retention**. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recover in the proportion that each interested party's share in the recovery bears to the total recovery.



9.5 Representations

By accepting this Protection, the **Member** agree that:

- i) The statements in the Declarations, schedules, and application for this Protection are accurate and complete;
- ii) Those statements are based upon representations the **Member** made to us; and
- iii) This Protection has been issued in reliance upon the **Member** representations.

9.6 Separation of protected Entities

Except with respect to the Limits of Protection, Cancellation Conditions and any Obligations specifically assigned to the **Member**, this Protection applies:

- i) As if each Names Protected Entity were the only Protected Entity.
- ii) Separately to each Named Protected Entity against whom a **Claim** is made.

9.7 Choice of Law

Should any dispute arise concerning this protection, the dispute will be determined in Accordance with the law of Australia and the States and Territories thereof. In relation to any such dispute, the parties agree to submit to the jurisdiction of any competent court in the State or Territory of Australia.

9.8 Changes and Assignment

Notice to or knowledge possessed by any person shall not effect waiver or change in any part of this protection or stop Us from asserting any right under the terms of his protection. The terms, definitions, conditions, exclusions and limitations of this protection shall not be waived or changed, and no assignment of any interest under this protection shall bind Us, except as provided by endorsement and attached to this Protection.

9.9 Headings

The descriptions in the headings and sub-headings of this Protection are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.

9.10 Consent

Where our consent or a Member's, is required under this Protection such consent shall not be unreasonably withheld, delayed, conditioned, or denied.

10. Important Notices

10.1 Claims Made Protection

The Protection is provided on a claims made basis. This means that it only covers claims made against you and notified in writing to Us during the **Protection Period**.

10.2 Change of Risk or Circumstances

You should advise Unimutual as soon as practicable of any change to your normal business as disclosed to Unimutual. This includes every change materially affecting the facts or circumstances existing at the commencement of this protection or at any subsequent renewal date.



10.3 Subrogation

Where you have agreed with another person or company, who would otherwise be liable to compensate you for or contribute towards any loss or damage which is covered by the Protection, that you will not seek to recover such loss or damage or contribution from that person, Unimutual will not cover you, to the extent permitted by law, for such loss or damage or contribution.



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Unimutual Limited

Product Disclosure Statement

PART 8 – Active Assailant Protection

This is Part 8 of the PDS dated 1 November 2023 issued by

Unimutual Limited
Phone: (02) 9169 6600
Email: service@unimutual.com.au
Website: www.unimutual.com
AFS Licence No: 241 142
ABN: 45 106 564 372



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The **Member** is entitled to have Claims for **protection** considered by **our** Board. The Board will consider the **member's** Claims for **protection** in accordance with the terms, conditions, definitions and exclusions and effected endorsements of these **protections**. Please note that these **protections** should be read in conjunction with the **Certificate of Entry** and **schedule** issued to the **member** and our Rules and Constitution.

1. What is Protected

We may provide **Protection** up to the Overall Limit of Protection for the following losses solely and directly caused by an **Active Assailant Event** occurring during the **Protection Period** and within the Geographical Limits stated in the schedule:

1.1 Property Damage

Damage to Protected Property at the **Premises** used in connection with the **Business**.

1.2 Consequential Loss

Consequential Loss following an **Active Assailant Event**

Item 1 Loss of Revenue and/or Increased Cost of Working

Item 2 Loss of Government Revenue

Item 3 Additional Increased Cost of Working – Limited to 90 Days

Consequential Loss and Extra Expenses at the Premises during the Period of Restoration and Additional Period solely and directly resulting from:

- (a) Damage to Property Insured covered by 1.1 above; and/or
- (b) bodily injury or death solely and directly caused by an Active Assailant Event occurring at the Premises and during the Policy Period; and/or
- (c) a determination by the Relevant Authority that, in consequence of an Active Assailant Event occurring at the Premises during the Policy Period, the Insured's operations conducted at the Premises must be temporarily or permanently ceased in whole or in part; and/or
- (d) Ingress/Egress; and/or
- (e) an Active Assailant Event occurring within three hundred and fifty (350) feet of the Premises during the Policy Period.

provided that the combined Period of Restoration and Additional Period shall not exceed 180 days.

1.3 Additional Protection Benefits

The following extra costs and expenses which are reasonably and necessarily incurred by the **Member** to mitigate the adverse effects of the **Active Assailant Event** on the **Member's Business** or Ingress/Egress occurring within three hundred and fifty (350) feet of the Premises during the Protection Period, incurred by the **Member**:

- i) Reasonable and necessary public relations consultancy costs incurred with a Mutual approved public relations consultant, to mitigate the adverse effects of the **Active Assailant Event** on the

Insured's Business. Limited to a maximum of AUD 500,000, and applicable only to such costs incurred within ninety (90) days of the Active Assailant Event

- ii) Relocation expenses for the **Member** and **Employees** and contractors of the Member for the purpose of relocation within the country where the **Active Assailant Event** occurred, applicable only to such costs incurred within ninety (90) days of the **Active Assailant Event**.
- iii) Counselling and/or psychiatric care costs to mitigate the adverse effects of the Active Assailant Event for any **Employee**, visitor, customer, contractor, student and/or patient of the **Member** physically present during the **Active Assailant Event**, limited to a maximum of AUD 10,000 per person, and applicable only to such costs incurred within twenty four (24) months of the **Active Assailant Event**.
- iv) Medical expenses (other than counselling and/or psychiatric care costs) to mitigate the adverse effects of the Active Assailant Event for any **Employee**, visitor, customer, contractor, student and/or patient of the **Member** physically present during the **Active Assailant Event**, limited to a maximum of AUD 10,000 per person, and applicable only to such costs incurred within thirty (30) days of the **Active Assailant Event**.
- v) Job retraining costs for **Employees** physically present during and injured as a result of an **Active Assailant Event**, limited to a maximum of AUD 10,000 per person, and applicable only to such costs incurred within ninety (90) days of the **Active Assailant Event**.
- vi) Recruitment costs to replace **Employees** physically present during and unable to continue working as a result of an **Active Assailant Event**, applicable only to such costs incurred within ninety (90) days of the **Active Assailant Event**.
- vii) Security costs for security measures to mitigate the adverse effects of the Active Assailant Event provided by a **Mutual**-approved security consultant. Limited to a maximum of AUD 25,000, and applicable only to such costs incurred within thirty (30) days of the **Active Assailant Event**.
- viii) Any other costs incurred with the prior written consent of the **Mutual**.

2. Calculation of Protections – Consequential Loss

The calculation of Protection hereunder shall be in terms of any or several of the following items, subject always to the terms, conditions and limitations of amount as expressed in the Schedule and the amount that may be paid by us shall be calculated as follows:

2.1 Item 1: Loss of Revenue and/or Increase in Cost of Working

The amount payable under this Item shall be limited to:

- i) In respect of reduction in Revenue:

The amount by which the Revenue during the Protection Period shall, in consequence of an Active Assailant Event, fall short of the Standard Revenue; and

- ii) In respect of Increase in Cost of Working:

The expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Revenue which, but for that expenditure, would have taken place during the Protection Period in consequence of an **Active Assailant Event**, but not exceeding the amount of the reduction in Revenue thereby avoided;

less any sum saved during the **Protection Period** in respect of such of the costs, charges and expenses of the business payable out of **Revenue** as may cease or be reduced in consequence of an **Active Assailant Event** and not exceeding the **Limit** stated in the **Schedule**.

2.2 Item 2: Loss of Government Revenue:

The amount payable under this item shall be limited to: the actual loss of Government revenue, during the Protection Period, either by

- i) Revenue returned to the Government at its direction in respect of that already paid to the Member for students enrolled, but who, because of the disruption resulting from an **Active Assailant Event**, withdrew their enrolment, or by
- ii) a shortfall in the Revenue Anticipated because of reduction in student enrolments resulting from an **Active Assailant Event**.

Revenue Anticipated for the purpose of this clause shall mean the sum produced by multiplying the anticipated student enrolments by the per capita value payable by the Government for an enrolled student.

Reduction in student enrolments shall mean the reduced number of students in any course, at the beginning of any semester and the basis of determination of such being by the comparing of the anticipated student enrolments (based on the trending of enrolment numbers in that course for that semester over the last three-year period and allowing for economic, employment and any other relevant factors) against the actual enrolments.

2.3 Item 3: Additional Increased Cost of Working and Additional Expense

The amount payable under this item shall be limited to:

- i) the amount of expenditure (additional to the expenditure incurred for Increase in Cost of Working under Clause 2.2 Item 1(ii) hereof), reasonably incurred by the **Member** during the **Protection Period** in consequence of an **Active Assailant Event** for the purpose of avoiding or diminishing the loss of **Revenue** and/or resuming and/or maintaining normal business operations and/or activities but not exceeding the **Limit** as stated in the **Schedule**.
- ii) the Additional Expense incurred by a **Member** as a result of interruption to or interference with the business, in consequence of **Damage** to buildings or other property belonging to or utilised by the **Member**, at the premises, and whether such building are, or such property is, used in connection with (but not restricted to) administration centres, offices, education, lecture and training facilities, research facilities, libraries store room and/or residential areas.

Additional expense for the purposes of this Item shall mean the excess expenditure necessarily incurred, beginning with the interruption to or interference with the business and ending when the business is no longer affected in consequence of an **Active Assailant Event** (but not exceeding the **Protection Period** for this Item) over and above the costs that would normally have been incurred to conduct the business during the same period had the **Active Assailant Event** not occurred, (not exceeding the **Limit of Protection** stated in the Schedule in respect of this Item) and which expenditure was necessary in order to resume or maintain the normal business of the **Member** and shall include (inter alia) the expenses incurred in using outside property or facilities, including computer facilities, office facilities or the using of other property or facilities of other **Members**, the hiring or leasing of alternative accommodation, the hiring or obtaining, including the installation of other property for temporary use, or transport arrangements to or from outside premises or facilities, provided that any salvage value of any such property remaining after re-occupation of the replacement or reinstatement of the **Damaged** buildings or the repossession of other property reinstated or replaced, shall be taken into consideration in respect of any payment for any loss hereunder.

3. Definitions

3.1 Active Assailant

means a person or group of persons actively engaged in the sole purpose of killing or attempting to kill or cause serious bodily injury to a person or group of persons.

3.2 Active Assailant Event

- i) a premeditated malicious physical attack, either at the **Premises** or at the location of and during an activity organised and/or paid for by the **Member**, by an **Active Assailant** who is physically present and armed with a **Hand-Held Weapon**; and
- ii) any action of the **Relevant Authority** taken in suppressing, controlling or minimising the immediate consequences of such an attack;

which directly causes **Damage** and/or bodily injury or death, and which affects three (3) or more persons (other than the **Active Assailant**) physically present during the attack.

3.4 Additional Period

means the additional length of time added to the Period of Restoration, limited to thirty (30) days, to restore the **Member's** business to the condition that would have existed had no loss occurred, commencing with the date on which the liability of the Insurer would otherwise terminate in accordance with 2.18 (a), (b) or (c) below

3.5 Annual Turnover

means the Turnover during the twelve (12) months immediately before the date of the **Active Assailant Event**.

3.6 Business

means the **Member's** business activities described in the **schedule**.

3.7 Business Interruption Loss

means the actual loss sustained by the Insured during the Period of Restoration resulting directly from the reasonable and necessary interruption of business at the Premises, but not exceeding the reduction in Gross Earnings less charges and expenses which are not necessarily incurred during the interruption of the business

3.8 Damage

means physical loss, physical destruction or physical damage.

3.9 Employee

means any (i) salaried or hourly wage personnel in the **Member's** employ; or (ii) leased or temporary employees, volunteers or interns of the **Member**.

a person under a contract of employment or contract of service or apprenticeship with the Insured; (b) a person deemed to be an employee under any workers' compensation, unemployment compensation, social security, disability or similar laws; or (c) any volunteer or person undertaking work experience with the Insured; working for and under the control of the Insured in connection with the Business

3.10 Revenue

i) Revenue for Item 1 of Section 2 Calculation of Protection shall mean:

- a) Total income from all sources other than:
- b) Government Grants;
- c) Donations and bequests;
- d) Capital Receipts and Accretions; and
- e) Investment Income,
- f) Research Grants
- g) Commission Profits & Royalties
- h) Rental income

Less the cost of:

Raw stock consumed in the production of saleable goods;

- a) Supplies consumed, whether for the purpose of converting raw stock into saleable goods or in the supplying of income-earning services;
- b) Goods sold, including packaging materials, not produced by the Member;
- c) Cancellable Service Contracts, which service(s) would reduce proportionately with reduction in goods sold or the supplying of services for the obtaining of income.

ii) Revenue for Item 2 of Section 2 Calculation of Protection shall mean total income provided by a Government other than revenue in respect of Research and Development.

iii) Revenue for Item 3 of Section 2 Calculation of Protection shall mean total income derived from any source other than:

- a) Donations and bequests;
- b) Capital Receipts and Accretions; and
- c) Investment Income

iii) Standard Revenue

a) Established Business:

the **Revenue** (as defined by item 3.7 Definitions) during that period in the 12 months immediately before the date of the **Active Assailant Event** which corresponds with the **Protection Period**, and to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business, either before or after the **Active Assailant Event**, or which would have affected the business, had the **Active Assailant Event** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the **Active Assailant Event**, would have been obtained during the relative period after the **Damage**.

b) New Business:

the **Revenue** (as defined by item 3.7 Definitions) realised during the period between the commencement of the business and the date of the **Active Assailant Event**, to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business had the **Active Assailant Event** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably

practicable the results which but for the **Active Assailant Event** would have been obtained during the relative period after the **Active Assailant Event**.

3.11 Indemnity Period

means the period beginning with the date of the **Active Assailant Event** and ending not later than the number of months specified in the **Member's Schedule** during which the business shall be affected in consequence of the Active Assailant Event.

3.12 Hand-Held Weapon

means any hand-held instrument or hand-held explosive device or explosive device worn on the body that is used by the **Active Assailant** to directly cause **Damage** and/or bodily injury or death. **Hand-Held Weapon** includes any **Road Vehicle** that is used by the **Active Assailant** to directly cause, and is occupied by the **Active Assailant** at the time of, **Damage** and/or bodily injury or death.

any hand-held instrument or hand-held explosive device or explosive device worn on the body that is used by the Active Assailant to cause direct physical loss or physical damage and/or bodily injury or death. Hand-Held Weapon includes any Road Vehicle that is used by the Active Assailant to cause, and is occupied by the Active Assailant at the time of, Damage and/or bodily injury or death

3.13 Ingress/Egress

means a determination by the Relevant Authority that, in consequence of an **Active Assailant Event** occurring within one thousand five hundred (1,500) feet of the Premises during the Policy Period, the Insured's operations conducted at the Premises must be temporarily or permanently ceased in whole or in part.

3.14 Member / you / your

means the entity named as such in the schedule

3.15 Mutual(s) we / us / our

means Unimutual Limited.

3.16 Occurrence

means any one loss and/or series of losses arising out of and directly occasioned by one **Active Assailant Event** or series of **Active Assailant Events** for the same purpose or cause. The duration and extent of any one **Occurrence** shall be limited to all **Damage to Protected Property** and/or bodily injury or death during any period of seventy two (72) consecutive hours arising out of the same purpose or cause.

However no such period of seventy two (72) consecutive hours may extend beyond the expiration of this Protection unless there is **Damage to Protected Property** and/or bodily injury or death by one **Active Assailant Event** or series of **Active Assailant Events** prior to expiration and within said period of seventy two (72) consecutive hours nor shall any period of seventy two (72) consecutive hours commence prior to the attachment of this protection.

3.17 Period of Restoration

means the period of time commencing with the happening of the Active Assailant Event and ending when:

- (a) in respect of Business Interruption Loss and Extra Expense under 1.2(a), with the exercise of due diligence and dispatch, the repair, rebuilding or replacement of such part of the Property Insured as has been destroyed or damaged can be completed; or
- (b) in respect of Business Interruption Loss and Extra Expense under 1.2(b) and (e), the Insured's operations conducted at the Premises can be resumed; or
- (c) in respect of Business Interruption Loss and Extra Expense under 1.2(c) and (d), the Relevant Authority withdraws its determination that the Insured's operations conducted at the Premises must be temporarily or permanently ceased in whole or in part, but never more than thirty (30) days;

3.18 Protection Period

means the period stated as such in the schedule.

3.19 Premises

means the premises stated in the schedule.

means the location specified in the schedule of values provided to the Mutual, which is owned by or is the responsibility of the Insured and the location of any events organised by the Insured within the covered jurisdictions.

3.20 Protected Property

means all real and personal physical property of every kind and description (except as specifically excluded) belonging to the Member or for which the Member is responsible or has assumed responsibility to protect prior to the occurrence of any loss or destruction or damage, as at the inception of this Protection.

3.21 Relevant Authority

means the present national or local authority with jurisdiction over the location of the Active Assailant Event, including any civil, law enforcement or military authority.

3.22 Road Vehicle

means a private or commercial land-based vehicle intended for use on public roads, including an automobile, bus, truck or motorcycle.

4. Conditions

Misrepresentation

If the Member has not told the Mutual about or has misrepresented any facts or circumstances which might affect the Mutual's decision to provide Protection or the terms of that Protection, the Mutual may refuse to pay a claim or the Mutual may treat this Protection as though it had never existed

4.1 Overall Limit of Protection

We shall not be liable under this Protection for more than the Overall Limit of Protection stated in the schedule in respect of any one **Occurrence** and in the aggregate for the **Protection Period**. The Retention stated in the schedule shall be deducted from the amount of loss payable under this Protection in respect of any one **Occurrence**.

4.2 Other Insurance

Where the **Member** has the benefit of cover under any other policy or Protections specified in the schedule for loss protected under clause 1.1 and/or 1.2 above (whether by way of a property policy or Protections with a malicious damage or terrorism extension, a stand-alone terrorism or political violence policy, a terrorism write-back under the ARPC or other government pooling arrangement, or otherwise), this Protection shall apply only in respect of any excess beyond the amount which is or would have been covered under that other policy or Protections if this Protection had not been effected.

Where the **Member** has the benefit of cover under any other policy for loss insured under clause 1.2 above, we will deal with the claim under this Protection without waiting for the outcome of any contribution proceedings, but without prejudice to any right the our may have against the insurer of that other policy.

4.3 Valuation of Damage to Protected Property

The amount payable in respect of **Damage** to Protected **Property** shall, subject always to the Overall Limit of Protection, be the cost of repairing, replacing or reinstating (whichever is the least) on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

- i) the repairs, replacement or reinstatement must be executed with due diligence and dispatch;
- ii) until repair, replacement or reinstatement has been effected the amount of liability under this Protection in respect of **Damage** to Protected **Property** shall be limited to the difference in actual cash value of the Protected **Property** immediately before and after the **Damage**;
- iii) if repair, replacement or reinstatement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Protection.

4.4 Experts Fees

Loss protected under clause 1.1 above includes, within the Overall Limit of Protection, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in repairing, replacing or reinstating the Protected **Property** following **Damage** protected under this Protection.

4.5 Declared Values – Underinsurance, Additions, Deletions and Changes in Value

The following are applicable in the context of a claim under these Protections

- i) If the Declared Value for **Damage** to Protected **Property** stated in the schedule is less than the actual cost of reinstating the Protected **Property** (including expert fees as covered by clause 4.4 above), the amount payable in respect of **Damage** to Protected **Property** will be proportionately reduced.
- ii) If the Declared Value for **Business Interruption Loss** stated in the schedule is less than the sum produced by applying the **Rate of Gross Profit** to the **Annual Turnover** (or its proportionately increased multiple thereof where the **Protection Period** exceeds twelve (12) months), the amount payable in respect of **Business Interruption Loss** will be proportionately reduced.

The following is applicable throughout the Protection Period

- iii) However, automatic coverage shall also apply, for no additional/return contribution, to any:

- a) increases or reductions to Member values following a revaluation of Protected **Property** at the **Premises** and/or due to any construction and/or renovation work at the **Premises**;
- b) additional property and/or interests of the type already Member by this Protection which may be acquired or otherwise become at the risk of the Member during the Protection Period;
- c) unintentional error in the valuation of Protected Property;

provided always that the total of any increase in Member values during the **Protection Period** in respect of (i), (ii) and (iii) above does not exceed fifteen per cent (15%) of the Declared Value for Protected **Property** at inception, and any unintentional error in the valuation of the Protected **Property** is reported by the **Member** to **us** as soon as possible on discovery and corrected.

4.6 Protection Maintenance

Any protection provided for the safety of the Protected **Property** shall be maintained in good order throughout the currency of this Protection and shall be in use at all relevant times, and such protection shall not be withdrawn or varied to the detriment of us without our prior consent.

4.7 Due Diligence

The **Member** (and all of the **Member's** agents, sub- or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to mitigate against further damage or remove the Protected **Property**, to avoid or diminish any loss, damage, cost or expense of any nature herein protected and to secure compensation for any such loss, damage, cost or expense including taking or preserving action against other parties to enforce any rights and remedies or to obtain relief or indemnity.

The **Member** agrees to pursue any available recovery under any government compensation plan or other similar scheme for the benefit of the **Mutual**. The **Member** shall allow us and our representatives access to all necessary information, documentation and accounting data in respect of any such recovery.

4.8 Change in Circumstances

The **Member** shall notify **us** of any change of circumstances which would materially affect this Protection as soon as possible on discovery.

4.9 Claims Notification and Co-operation

- i) Coverage under this Protection shall apply only where **we** have been provided with written notification of the **Active Assailant Event** by the **Member** within thirty (30) days from the final day of the **Protection Period** during which the **Active Assailant Event** occurred.
- ii) If the **Member** makes a claim under this Protection the **Member** must give **us** such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of the claim. If required by **us**, the **Member** must submit to examination under oath by any person designated by **us**
- iii) The **Member** must provide a signed and sworn proof of loss within ninety (90) days after the occurrence of any loss, damage, cost or expense (unless such period be extended by the written agreement of us stating full particulars of the amount including when and how it was incurred.

4.10 Burden of Proof

In any claim and/or action, suit or proceeding to enforce a claim for loss under this Protection, the burden of proving that the loss is recoverable under this Protection and that no limitation or exclusion of this Protection applies and the quantum of loss shall fall upon the **Member**.

4.11 Fraud

If any claim is in any respect fraudulent or involves the use of any fraudulent means or devices by the **Member** or anyone acting on the **Member's** behalf to obtain any benefit under this Protection, or arises from any destruction or damage occasioned by the wilful act or with the connivance of the **Member**, **we**, without prejudice to any other right(s) the **Mutual** might have under this Protection, shall be entitled to refuse to pay such claim.

4.12 Abandonment

There shall be no abandonment of any property to the **Mutual**.

4.13 Assignment

Assignment or transfer of this Protection shall not be valid except with the prior written consent of the **Mutual**.

4.14 Multiple Members

Where there are multiple **Members**, the **Mutuals'** total liability for any loss, damage, cost or expense of any nature sustained by any one or more of the **Members** under this Protection will not exceed the Overall Limit of Protection shown in the schedule.

4.15 Third Party Rights

This Protection is effected solely between the **Member** and the **Mutual**. This Protection shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Protection.

4.16 Cancellations

- i) This Protection may be cancelled at any time at the request of the **Member**, in which case **we** will retain the customary short-period rate for the time this Protection has been in force.
- ii) **We** may also cancel this Protection by giving the **Member** written notice to that effect where:
 - a) the **Member** or any person who was at any time representing the **Member** failed to comply with the duty of utmost good faith;
 - b) the person who was representing the **Member** at the time when this Protection was entered into failed to comply with the duty of disclosure;
 - c) the person who was representing the **Member** at the time when this Protection was entered into made a misrepresentation to **us** during the negotiations for this Protection but before it was entered into;
 - d) the **Member** or any person who was at any time the **Member** representative failed to comply with a provision of this Protection, including a Provision with respect to the Member contribution;
 - e) the **Member** has made a fraudulent claim under this Protection or any other policy of insurance (whether with the **Mutuals** or some other insurer) that provided protection or insurance cover during any part of the period during which this Protection provides protection;

- f) the **Member** failed to notify **us** of any specific act or omission where such notification is required under the terms of this Protection; or
 - g) the **Member** acted in contravention of or omitted to act in compliance with any condition of this Protection which empowers **us** to refuse to pay, or reduce our liability in respect of, a claim in the event of such contravention or omission.
- iii) The **Mutuals'** notice of cancellation takes effect at the earlier of the following times:
 - a) the time when another Protection or policy of insurance between the **Member** and the **Mutual** or some other insurer, being a Protection or policy that is intended by the **Member** to replace this Protection is entered into; or
 - b) 4.00 p.m. on the thirtieth (30th) business day after the day on which notice was given to the **Member**.
- iv) In the event that **we** cancel this Protection, **we** will repay to the **Member** a rateable proportion of the contribution for the unexpired Protection **Period** from the date of cancellation.

4.17 Sanctions

We shall not be deemed to provide protection and **we** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such protection, payment of such claim or provision of such benefit would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

4.18 Several Liability

Our obligations under this Protection are several and not joint and are limited solely to their individual subscriptions. **We** are not responsible for the subscription of any co-subscribing **mutual or insurer** which for any reason does not satisfy all or part of its obligations.

4.19 Governing Law and Jurisdiction

This Protection shall be governed by and construed in accordance with the law of the territory named in the Governing Law and Jurisdiction section of the schedule, and any disputes arising out of or in connection with this Protection shall be subject to the exclusive jurisdiction of the courts in that territory.

5. Exclusions

5.1 This Protection does not cover loss, damage, cost or expense of any nature directly or indirectly caused by or arising from:

- i) nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however caused.
- ii) war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, military or usurped power or martial law.
- iii)
 - a) chemical or biological release or exposure of any kind; or
 - b) seepage and/or discharge of pollutants or contaminants including but not limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
- iv) attacks by electronic means including computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.
- v) threat or hoax
- vi) loss of use, delay or loss of markets, loss of income, depreciation, or reduction in functionality or any other consequential loss not specifically covered herein.
- vii) third party legal liability, employers' liability, or any other legal liability whether arising under workers compensation, unemployment compensation, social security or disability laws, statutes or regulations or otherwise.
- viii) any sexual misconduct, including without limitation, any physical acts, gestures, spoken or written words of a sexual nature, sexual molestation, sexual assault, sexual battery, sexual abuse, sexual harassment, or sexual exploitation.
- ix) gang related crime or violence, organised crime or armed robbery.
- x) strikes, labour unrest, riots or civil commotion.
- xi) any vehicle-borne or remotely detonated explosive device.
- xii) Business Interruption Loss caused by an Active Assailant Event at a facility supplying gas, electric, water or telephone to the Premises

5.2 Protected Property shall not include:

- i) land or land values.
- ii) power transmission, feeder lines or pipelines not on the Premises.
- iii) aircraft or any other aerial device, or watercraft.
- iv) any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declared to us and is located at the Premises at the time of Damage.
- v) electronic data.



- vi) animals, plants or living things of all types.
- vii) any refunds or compensation or costs of event rescheduling or relocation.
- viii) any cash and/or marketable securities, goods, or services provided by way of ransom or other response to an extortion demand.

5.3 There shall be no cover under this Protection for any **Active Assailant Event** occurring on:

- i) any aircraft or any other aerial device.
- ii) any watercraft unless it is owned by the Member and is less than twenty five (25) metres long, and cover shall apply only while it is used on inland waterways or on open water within five (5) kilometres of the mainland.



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Unimutual Limited

Product Disclosure Statement

PART 9 – Terrorism Protection

This is Part 9 of the PDS dated 1 November 2023 issued by

Unimutual Limited
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PART 9A – PROPERTY TERRORISM PROTECTION

INTRODUCTION

Whereas an application has been made by the **Member** to the Mutual, the Mutual (subject to the Conditions, Provision and Limitations contained herein or endorsed or otherwise expressed hereon) agree that if whilst at the Situation specified in the **Schedule** the **Property Protected** described under Section 1 hereof or any part of such **Property Protected** belonging to or the responsibility of a listed **Member** and/or any person or body corporate or non-corporate who or which is deemed affiliated to and/or operating within the framework of that **Member** or any other property or part thereof used by the **Member** at any premises for the purpose of the Business, suffer **Damage** (as herein defined) not otherwise excepted by this Protection, at any time during the **Period of Protection** or of any subsequent period in respect of which the **Member** shall have paid and the Mutual shall have accepted the contribution required for the renewal of this Protection, may provide coverage to the **Member** against loss as specified under Sections 1 and 2 herein.

Provided that the Limit of Protection in respect of any **Member** shall not in respect of the combined Sections 1 and 2 exceed the Combined Protection Limit as expressed in the **Schedule** or any other Sub-Limits that may apply in respect of either Section 1 or 2 or any limits that may be substituted therefore by memorandum hereon or attachment hereto signed by or on behalf of the Mutual.

DEFINITIONS

The following definitions shall apply for purposes of this Protection under Sections 1 and 2, the application of Sub-limits and the application of Retentions set out in the **Schedule**.

Act of Terrorism

means and includes an act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisations(s) or government(s) de jure or de facto, and which:

- a) involves violence against one or more persons; or
- b) involves Damage to property; or
- c) endangers life other than that of the person committing the action; or
- d) creates a risk to health or safety of the public or a section of the public; or
- e) is designed to interfere with or to disrupt an electronic system.

Additional Green Costs

means the reasonable cost of:

- a) hiring of professionals accredited pursuant to **Green Standards** to advise on and/or participate in the repair or replacement of the **Protected Property**;
- b) registration and certification of the replaced or reinstated **Protected Property** in accordance with **Green Standards**;
- c) disposal of **Debris** or anything that caused the **Damage** in accordance with **Green Standards**;
- d) ventilating the replaced or reinstated **Protected Property** consistent with **Green Standards**.

Affiliate

- a) any college, hall of residence, union, club, society, association, foundation or institute incorporated or unincorporated, affiliated with, registered with or operating within the framework of a **Member** and formed by or with the knowledge and consent of a **Member** or **Affiliate** (including Members of and office bearers of such clubs, associations and societies): and /or
- b) any person or group of persons being Members of or students of or employed by **Members** or their **Affiliates** or performing any function whatsoever in Australia, or elsewhere under the aegis of the **Member** or an **Affiliate**; and/or
- c) any entity wholly or partly owned or controlled by a **Member** which has been accepted by the **Mutual** as an **Affiliate** at the request of the **Member** and specified as such in the **Certificate of Entry** or Schedule; and/or
- d) any entity which a **Member**; or any entity specified in (a) or (c) above, has, under contract or otherwise, agreed to include in their **Protections** but only to the extent required by such contract or agreed to by the **Member** or entity specified in (a) or (c) above and which has been accepted by us.
- e) Any past **Affiliate** whilst they were deemed an **Affiliate** of the **Member**

Animals

means all types of animals including birds and fish.

Damage

means physical loss, damage or destruction (with **Damaged** having corresponding meaning) including **Spoilage**.

Debris

- a) the residue of any Damaged Member's Property under this Protection or;
- b) material deposited on the Premises as a result an **Act of Terrorism**, excluding any material which can cause **Pollution** or **Contamination** and which is deposited beyond the boundaries of the **Member's** Premises

Member

means the entity specified as the **Member** in the **Schedule**. **Member** shall include **Affiliate**.

Member's Representative

means a person nominated by a **Member** to exercise the privileges of membership on its behalf.

Money

Means current coin, bank notes, currency notes, cheques, postal orders, traveller's cheques, securities, negotiable instruments, money orders, unused postage and revenue stamps and including the value of stamps contained in franking machines, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, cash boxes, alarm bags or any other portable container used to convey money, all whilst contained in any building owned or occupied by or being used for the purposes of the **Member**, including in transit anywhere external to any building and between premises of the **Member** or between premises of the **Member** and the premises of others, including whilst in the personal custody of the **Member** or of any person authorised by the **Member** or

whilst contained in the private residences of any such persons or whilst in any night-safe of any bank or financial institution.

Mutual

means Unimutual Limited.

Property in Transit

means

- a) **Protected Property** in transit by land, sea or air, from the time **Protected Property** is first moved within any **Premises** in the Commonwealth of Australia where such property is located for purposes of loading and shall continue for the period whilst in transit to any port or destination within the Commonwealth of Australia, and until such property has been delivered and unloaded at its final destination. Final destination for these purposes shall mean the appointed Premises or point of delivery as set out in the contract of affreightment, or if there is no written contract, the destination as stipulated by the consignor; and/or
- b) **Protected Property** in transit by land, sea or air, from the time such property is first moved within any **Premises** of a continent (outside of the Commonwealth of Australia) where such property is located for purposes of loading, and shall continue for the period whilst in transit to any port or destination within the that other continent (excluding transit between continents) and until such property has been delivered and unloaded at its final destination. Final destination for these purposes shall mean the appointed Premises or point of delivery as set out in the contract of affreightment, or if there is no written contract, the destination as stipulated by the consignor; and/or
- c) **Protected Property** anywhere external to the **Member's Premises** in transit by land or air, but only whilst such property remains in the personal custody of any person authorised by the **Member**, i.e. such property accompanies the person at all times and if the person is travelling by vehicle the property shall not be left unattended in the vehicle unless the vehicle is securely locked. (This definition is subject to and to be read in conjunction with Memorandum 1.4.14 of Section 1.

"**Property in Transit**" shall include **Damage** caused by or resulting from:

- (i) unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts.
- (ii) improper parties having gained possession of property through fraud or deceit.

The **Member** has permission, without prejudicing this **Protection**, to accept:

- a) ordinary bills of lading used by carriers;
- b) released bills of lading;
- c) undervalued bills of lading; and
- d) shipping or messenger receipts.

Protection Period

means the period shown in the **Schedule** and any subsequent period for which the **Mutual** has agreed to renew or extend these **Protections**.

Personal Property of Officers, Employees and Visitors

means the clothing and personal effects (including that used for the **Member's** business) of such persons (excluding money, bank and credit cards) including that of honorary employees, visiting academics, honorary academics or Senate or Council **Members** while such property is on the campus



of the **Member** and, in respect of books, electronic equipment or other personal effects of any such person to be used or having been used in the business of the **Member**, whilst in transit between the residence of such person and the campus of the **Member**, and whilst in transit in return to such person's residence, but excluding such property which is subject to insurance arranged by or on behalf of such persons.

Personal Property of Students

Means the clothing and personal effects of such persons (excluding money, bank and credit cards) whilst only in a building on the university campus, not being a residential or accommodation building

Pollution or Contamination

Means the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon any property, land, atmosphere or any watercourse or body of water (including groundwater).

Premises

means any campus or other location where the **Member** conducts business or undertakes Research or Development.

Protected Property

Means all real and personal tangible property of every kind and description (including electronically recorded information and **Money**) belonging to the **Member** or for which the **Member** is legally responsible or has assumed responsibility to provide coverage for, prior to the occurrence of **Damage** (including **Machinery Breakdown**) including all such property in which the **Member** may acquire an interest during the **Protection Period**, but provided any such property is not excluded property within the terms of this **Protection** and provided further that such class of property is included under the **Member's** declaration of property.

Removal of Debris

Means the costs and expenses as specified in Clause 1.2 (vii) of Section 1 hereof.

Research and/or Development

Means the work of undertaking research including projects:

- i) being carried out as part of a Co-operative Research Centre undertaking (provided the project itself is not covered by the Co-operative Research Centre), or
- ii) involving teaching and/or research and development where the research is dependent upon the continued life, existence or well being of the Research Specimens, crops or pastures.

The inclusion of the expression "Co-operative Research Centre" in this definition does not imply the provision of **Protection** to any partner, joint venturer or collaborator working together with any Member for the purposes of Research and/or Development and no such protection is provided.

Research Specimens

means all creatures, cultures, microorganisms and plants, or parts thereof, stored in **Controlled Environments** and forming part of, or intended for research.



Residual Value

means the amount which the lessee has agreed would be payable to acquire any leased property when the lease comes to an end.

Retention

means the amount that the **Member** must contribute to the settlement of each successful claim for **Protection**. The Retention amount is set out in the **Schedule**.

Schedule

means the latest Schedule of **Protections** issued by the **Mutual** to the **Member**

Standing Timber

means any natural growth of trees or uncleared woodland or a plantation of trees which are or will be utilised for harvesting of timber for commercial purposes.

Valuable Papers and Records

Includes, without limiting the generality of the expression, collections and individual books or papers of historical or heritage value and records and parchments of special value, all of which are catalogued in the **Member's** records and do not form part of any library inventory.

Works of Art

Includes, without limiting the generality of the expression, a single or collection of paintings, curios, sculptures, antiques and fine arts, including articles or sets of silver or gold or other precious metal, all of which have special value and are catalogued in the **Member's** records.

SECTION 1 – MATERIAL LOSS OR DAMAGE

1.1 Risks Protection

Subject always to all the terms, conditions and exclusions of this Protection including the Limits and Sub-Limits as set out in the **Schedule**, the **Mutual** may provide coverage for the **Member** for **Damage** caused by or arising from any **Acts of Terrorism**.

1.2 The Property Protected

Subject to all the Terms, Conditions and Exclusions of these **Protections**, all real and personal tangible property of every kind and description (including electronically recorded information and **Money**) and all such property belonging to the **Member** or for which the **Member** is legally responsible or has assumed responsibility to provide **Protection** prior to the occurrence of **Damage**, or **Machinery Breakdown**, including all such property in which the **Member** may acquire an interest during the **Protection Period**, but provided any such property is not excluded property within the terms of these **Protections** and provided further that such class of property is included under the **Member's** declaration of property as required under Clause 1.4.1 herein.

The **Mutual** may also pay the following additional costs that are necessarily and reasonably incurred if **Damage** to the Property Protected caused by an **Act of Terrorism** occurs in circumstances giving rise to coverage under this Section 1, subject to the **Limit of Protection** specified in the **Schedule** not being exceeded.

- i) architects', surveyors', consulting engineers', legal and other fees and clerks of works' salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in reinstatement consequent upon **Damage** to the protected property but not such costs, fees and salaries for preparing any claim hereunder
- ii) any sums payable to any Government, Local Government or other Statutory Authority, where payment of such sum is a condition precedent to the obtaining of consent to reinstate any building(s) protected hereunder, provided that The **Mutual** shall not reimburse the payment of fines and/or penalties imposed upon the **Member** by any such Authority.
- iii) costs and expenses necessarily and reasonably incurred for the purpose of extinguishing fire resulting from an **Act of Terrorism** at or within a 100 metre radius of the protected property or threatening to involve any such property, including fire brigade charges for attending whether for extinguishment, security, or ensuring fire does not re-ignite and including **Damage** to gain access and the cost of replenishment of fire fighting appliances and charges incurred for the purpose of shutting off the supply of water or other substance following accidental discharge from any fire protective equipment or otherwise escaping from intended confines or costs and expenses necessarily and reasonably incurred for the purpose of preventing or diminishing imminent **Damage** to the protected property.
- iv) costs and expenses necessarily and reasonably incurred for the temporary coverage and safety of the protected property, pending repair or replacement consequent upon **Damage**.
- v) costs and expenses necessarily incurred in reinstating, replacing, reproducing or restoring documents, manuscripts, securities, deeds, plans, business books and other records of every description, including information contained therein or thereon in any form whatsoever, including but not limited to, type, print, electronic or hand-written forms consequent upon **Damage** to such property caused by any risk hereby protected, but not for the value to the **Member** of the said information.
- vi) costs and expenses necessarily and reasonably incurred in respect of:

- a) replacing locks and/or keys and/or combinations following an **Act of Terrorism** and the keys and/or electronic access cards and/or combinations are stolen or if there are reasonable grounds to believe the keys and/or combinations may have been duplicated
 - b) replacing locks and/or keys and/or combinations following an Act of Terrorism and Damage of keys and/or electronic access cards and/or combinations or if there are reasonable grounds to believe the keys and/or combinations may have been duplicated
 - c) opening safes and/or strongrooms as a result of an **Act of Terrorism**
- vii) costs and expenses necessarily and reasonably incurred in respect of:
- a) the removal, storage and/or disposal of **Debris** (or of anything which caused the **Damage**) and the carrying out of decontamination, demolition, dismantling, shoring up, propping, underpinning or other temporary repairs consequent upon **Damage** to the protected property and occasioned by a risk protected against;
 - b) the **Member's** legal liability for the removal, cleaning up, storage and/or disposal of **Debris**, in relation to premises, roadways, services, railways or waterways of others arising from a risk hereby protected, provided such liability was not assumed by the **Member** under agreement voluntary entered into unless liability would have attached in the absence of such agreement; and
 - c) the demolition and removal of any property belonging to the **Member** which is no longer useful for the purpose it was intended, provided such demolition and removal is necessary for the purpose of the reinstatement or replacement of the protected property and is consequent upon **Damage** to any such property by a risk hereby protected.
- PROVIDED THAT the **Protection** in respect of clause (vii) (b) does not extend to any liability for Damages that the Member may incur as a consequence of **Pollution or Contamination Damage** .
- viii) **Damage to Personal Property of Officers, Employees and Visitors or Personal Property of Students** not otherwise insured.
- ix) costs and expenses necessarily incurred by the **Member** in taking inventory (including unpacking, repacking and restacking) to establish the value of **Damage** to the protected property.
- x) the reasonable costs and expenses incurred by the **Member** for express carriage rates and extra payments for overtime, night, Sunday or holiday work incurred in connection with the repair or reinstatement of the **Damage**.
- xi) the payment of **Additional Green Costs** applicable only to buildings and other property covered under these Protections which have a Certified Green Star Performance rating under the Green Star systems of the Green Building Council of Australia or equivalent Energy Star qualified requirements.

For the purposes of this provision only:

A Sub-Clauses 1.4 v) a) and 1.4 v) b) of Clause 1.4 (Reinstatement and Replacement) are amended to read as follows:

1.4 v) a) Where property is lost or destroyed:

In the case of a building, the rebuilding thereof; or in the case of property other than a building, the replacement thereof by similar property: in either case, in a condition equal to, but not better or more extensive than, its condition when new or last renovated, including restoration of the

Green Star certification and performance rating applicable immediately prior to the date of the Damage.

1.4 v) b) Where property is **Damaged**:

The repair thereof including the associated costs of stripping, dismantling or demolition to facilitate work, and the restoration of the Damaged portion of the property to a condition substantially the same as, but not better or more extensive than, its condition when new or last renovated, including restoration of the Green Star certification and performance rating applicable immediately prior to the date of the **Damage**.

B. Clause 1.4.vi). (Extra Cost of Reinstatement) is amended to read as follows:

These **Protections** extend to cover the extra costs of reinstatement (including demolition, dismantling or altering of property) incurred to meet **Green Standards** at the date of the **Damage** that are additional to those already certified and agreed previously for the Property Protected and necessary to maintain continuity of the **Green Standards** certification of the **Property Protected**.

However, the **Mutual** will not pay fees, costs and expenses associated with complying with additional **Green Standards** which the **Member** was responsible to carry out prior to the occurrence of the **Damage**.

Provided that the insurance under this section does not extend to any cost, expense or other sum directly or indirectly arising out of, or in any way attributable or related to, connected with or occurring concurrently or in any sequence with pollution, including any obligation, legal liability, request, demand, order, or statutory or regulatory requirement to test for, monitor, clean up, remove, dispose of, contain, treat, neutralise, protect against or in any other way respond to the actual, alleged or threatened presence of pollution of any kind.

1.3 Calculation of Protection

For the purpose of ascertaining the classification under which any **Protected Property** is protected, the **Mutual** agrees to accept the designation applied to such property by the **Member** in its records, provided that such property is not specifically excluded by these **Protections**.

Subject to the **Limit of Protection** and the Sub-Limits specified in the **Schedule** and subject to Memoranda to Section 1.4 the Calculation of Protection shall be:

- i) On buildings, machinery, plant and other property, (other than that designated below in clauses (ii) to (xvii) the cost of reinstatement, replacement or repair in accordance with Section 1.4, Memoranda to Section 1, (v) and (vi).
- ii) PROVIDED THAT if the **Member** does not claim for the cost of reinstatement, replacement or repair in accordance with Memorandum (v) The **Mutual** may pay the value of the loss (ie: indemnity value) On raw materials, supplies and other merchandise not manufactured by the **Member**, the actual replacement cost including replacement cost of labels, containers or wrappings at the time and place of the replacement or, if such property is not replaced, the **Indemnity Value** thereof.

Where owing to restrictions, or where the raw materials, supplies and other merchandise are not available, it is necessary for the **Member** to purchase alternative kinds of raw materials, supplies and merchandise from either a local or overseas source, the amount protected will be the price paid for such alternative raw materials, supplies and/or merchandise including the replacement cost of labels, containers or wrappings.

- iii) On material in process of manufacture, the replacement value of the raw materials and the value of labour and other overhead charges expended thereon at the time and the place of **Damage**.

Where owing to restrictions, or where the raw materials are not available, it is necessary for the **Member** to purchase alternative kinds of raw materials from either a local or overseas source, the amount protected will be the price paid for such alternative raw materials

- iv) On finished goods (including labels, containers or wrappings) the amount protected will be the normal cash selling price at the place where the loss occurred, less any discounts or rebates that would have affected the selling price had no loss occurred
- v) In respect of goods sold by the **Member** but not delivered for which the **Member** is responsible, and with regard to which, under the conditions of sale, the sale contract is, by reason of the **Damage**, either wholly or in part to be cancelled and the **Damage** is caused by a risk hereby protected, any payment by the **Mutual** shall be based on the contract price.
- vi) On computer system records, including data, programs, software, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description, the cost of reinstating, replacing, reproducing or restoring same, including information contained therein or thereon but excluding the value to the **Member** of the said information; or, if such is not required, the replacement cost of materials such as blank stationery at the time and place of **Damage**.
- vii) On patterns, models, moulds, dies or casts, the cost of repair or replacement (if actually replaced) or, otherwise, the depreciated value to the **Member** of such property.
- viii) On glass, The cost incurred in repairing or replacing the broken glass in accordance with the current Australian Standard or Code AS 1288-2006 including the cost of:
 - a) temporary shuttering and/or hiring of security service pending replacement of broken glass; and
 - b) removing and re-fixing of window and show-case frames, locks, fittings, shop front tiling and replacing burglar alarm tapes, protective film and heat reflecting material or other process on glass;
 - c) replacing signwriting or ornamentation on glass.
- ix) On **Personal Property of Officers, Employees and Visitors** or **Personal Property of Students** the actual replacement cost (if actually replaced) or otherwise the indemnity value. For personal effects forming part of a pair or set, unless every component of the pair or set is **Damaged**, the Calculation of Protection shall be the difference between the market or replacement value of the pair or set (whichever is greater) before the **Damage** and the market or replacement value of the pair or set (whichever is greater) after the **Damage**.
- x) On empty **Premises** awaiting demolition, the salvage value of the building materials and/or landlord's fixtures and fittings, net of the actual demolition costs; provided that if the actual demolition costs are increased in consequence of the **Damage**, the **Mutual** may also pay the **Member** the difference in demolition costs.
- xi) On **Research and/or Development Projects**, the costs and expenses incurred in re-establishing to the same stage in development as existing at the date of **Damage** including the costs and expenses in the replacement of all materials, **Animals**, crops and pastures needed to re-establish the project.
- xii) On empty **Premises** awaiting demolition, the salvage value of the building materials and/or landlord's fixtures and fittings, net of the actual demolition costs; provided that if the actual

demolition costs are increased in consequence of the **Damage**, the **Mutual** may also pay the **Member** the difference in demolition costs.

- xiii) On **Works of Art** and **Valuable Papers and Records**, the cost of restoring and repairing to a condition substantially the same as, but not better or more extensive than, its condition immediately prior to **Damage** (taking into consideration age and condition). In addition, the **Mutual** may pay the amount by which the work of art, antique or curio has reduced in value consequent upon being restored and repaired. When restoration and repair is not possible, The **Mutual** may pay the replacement value of the **Work of Art** which will be the market value or the declared value whichever is the lesser subject to a revaluation of the **Work of Art** every four years arising out of any one event, unless the specific value thereof has been declared to prior to the **Damage** occurring.

Where such artworks or curios form part of any pair, set or collection the replacement value shall be the cost of restoring or repairing to a condition substantially the same as before the **Damage** plus the reduction in market value of the particular pair, set or collection to which the protected property formed part immediately before the **Damage**.

- xiv) On garden plots, lawns, shrubs, trees or other growing plants not intended for commercial purposes, including landscaping, rockwork, paving and ornamentation pertaining thereto, the actual cost of work done to repair or replace the **Damage** including the cost of replanting and resowing.
- xv) On growing crops or pastures, to be used only for teaching or **Research and/or Development Projects** or standing timber for ornamental or aesthetic purposes, the costs to clear and remove any **Debris**, level, and replant or resow.
- xvi) On **Animals** to be used only for teaching or **Research and/or Development Projects**, the cost to replace any animal
- xvii) On all other property, (other than buildings, their contents and other structures, machinery, plant, equipment, tools and the like) including growing crops, pastures, and farm animals, for commercial purposes, the value thereof on a commercial basis unless specific values have otherwise been declared and agreed prior to any **Damage** occurring
- xviii) On **Research Specimens** the value as declared or replacement cost whichever is the lesser.
- xix) On machinery, plant or equipment leased on a Residual Value basis which has been assessed as an actual or constructive total loss, the Basis of Settlement shall be the amount:
 - i. a) the amount for which the lessee is liable to the lessor, plus
 - b) the current market value of the property immediately before the **Damage** or the Residual Value whichever is the greater

Or, at the option of a Member

 - ii. the replacement value less the value of any salvage
- xx) On securities (which shall mean certificates of stock, bonds, coupons and all other types of securities):
 - a) All blockchain-based digital assets such as cryptocurrency(ies), cryptoassets, cryptographic tokens and non-fungible tokens are excluded from these Protection.
 - b) if the securities can be replaced, the cost of replacement paid or payable by the **Member**, or

- c) if the securities cannot or are not to be replaced by the **Member**, the greater of:
 - i) the price for which the **Member** purchased them; and
 - ii) the closing market value on the last business day prior to the date of discovery by the **Member** of the loss or destruction of the securities or, if the time of discovery by the **Member** is after the close of the market, their closing market value on the day of discovery by the **Member** of the loss or destruction of the securities;
- d) in the case of a loss of subscription, conversion or redemption privileges through the loss of any security:
 - i) the value of such privileges immediately preceding the expiration thereof such valuation being in the currency in which the loss was sustained.
 - ii) losses sustained in currencies other than Australian dollars shall be settled by converting the amount of loss to Australian dollars at the market rate as set by the Reserve Bank of Australia at the time of settlement of the loss or such other rates as may be expressly agreed with the Member.

If there is no market price or value on the relevant day stated herein, then the value shall be agreed between the Member and the Mutual, or in default thereof, the Member and the Mutual shall submit to mediation to resolve their differences

1.4 Memoranda to Section 1

i) Full Value Protection/ Conditions in the event of failure to accurately declare

- a) Each **Member** must declare the full value of property at each campus and any other location at the commencement of each **Protection Period**, calculated in accordance with Clause 1.3 Calculation of Protection. This memorandum 1.4.1.a) shall not apply if the **Member** has declared full value based on a formal on-site valuation prepared by a Certified Property Valuer Member of the Australian Valuers Institute which is no greater than three (3) years old at the commencement of the **Protection Period**. Due allowance to be made for yearly valuation movements provided by a Certified Property Valuer Member of the Australian Valuers Institute, during the period between on-site formal valuations, together with any capital additions since the most recent valuation.
- b) Each **Member** must declare at the end of the **Protection Period** the full value of property protected as it may be acquired during the **Protection Period** in accordance with Clause 1.3, but only if the value of all acquisitions is 2% or greater for University Members and the higher of 2% or AUD1,000,000 for non-University Members unless that class of property has not previously been included in the **Member's** declaration under (a) above or the property is located outside of Australia whichever is the case, in which event all amounts shall be declared.

ii) Interests of Other Parties

This Protection extends to the interests of all parties who have acquired an interest in the protected property whether by way of loan, mortgage, lease, hire purchase or other agreement, as though they were a **Member** herein.

Where the interests of more than one party are protected by this Protection, any act or neglect of an individual party will not prejudice the rights of the remaining party/parties; provided the **Member** shall, immediately on becoming aware of any act or neglect whereby the chance of the protected property becoming **Damaged** has increased, give notice in writing to the **Mutual**.

iii) Branded Goods

Any salvage of branded goods produced by or for the **Member** shall not be disposed of by sale without the consent of the **Member**. If such salvage is not disposed of by sale, then the **Damage** will be assessed at the value agreed between the **Member** and the **Mutual** after brands, labels or names have been removed by or on behalf of the **Member**.

iv) **Contract Price**

In respect of goods sold by the **Member** but not delivered for which the **Member** is responsible, and with regard to which, under the conditions of sale, the sale contract is, by reason of the **Damage**, either wholly or in part to be cancelled and the **Damage** is caused by a risk hereby protected, any payment by the **Mutual** shall be based on the contract price.

v) **Reinstatement or Replacement**

This memorandum applies where the **Mutual** is providing **Protections** in respect of buildings, machinery plant and other property under Calculation of Protection Clause 1.3. In such case the Calculation of Protection shall be on the actual cost of reinstatement of the **Damaged** property subject to the following Provisions and subject also to the terms, conditions and **Limit(s)** or **Sub-limit(s)** as specified in the **Schedule**.

For the purpose of cover under this Memorandum, 'reinstatement' shall mean:

- a) Where the property is lost or destroyed, in the case of a building, the rebuilding thereof or in the case of property other than a building, the replacement thereof by similar property, in either case in a condition equal to, but no better or more extensive than its condition when new.
- b) Where property is **Damaged**, the repair of the **Damage** and the restoration of the **Damaged** portion of the property to a condition substantially the same as, but not better or more extensive than its condition when new.

The cost of reinstatement shall also include the cost of recommissioning plant and systems

Provisions Applicable to Sub-clause v)

- a) the work of rebuilding, replacing, repairing or restoring as the case may be (which may be carried out upon any other site(s) and in a manner suitable to the requirements of the **Member**, but subject to the potential cost to the **Mutual** not being thereby increased) must be commenced and carried out within a reasonable time after Protection has been confirmed by the **Mutual**, failing which the **Mutual** shall not make any payment greater than the **Indemnity Value** of the **Damaged** property.
- b) Provision 1.4.5.3 shall not apply to any delay in undertaking such work due to circumstances beyond the control of the **Member**, including but not limited to planning approval, statutory or authority inquiries, and the availability of labour and materials. Provided always that the Limits and Sub-Limits are not increased by any such delay.
- c) where property to which this Memorandum applies is **Damaged** in part only, payment by the **Mutual** shall not exceed the sum representing the cost which the **Mutual** could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- d) if the **Member** elects to reinstate or replace **Damaged Property Protected** with dissimilar property whether or not to be used for a similar purpose as the **Damaged Protected Property**, the **Mutual** may pay the lesser of:
 - i) the cost of the dissimilar property, or

- ii) an amount equal to the replacement cost which would have been payable if the **Damaged Protected Property** had been reinstated by similar property in a condition equal to, but not better or more extensive than, its condition when new.
- e) the **Member** is not bound to reinstate any building deemed to be a total loss, but may, at its option, purchase an existing building or buildings to replace the **Damaged** building, limited to the cost that would have been incurred if the **Damaged** building had been reinstated in accordance with Clause 1.4.5.1 of the definition of 'reinstatement' including any Extra Cost of Reinstatement which may have been payable in respect of such reinstatement.
- f) where any **Damaged Protected Property** is replaced by property that is better or more extensive than its condition when new, the **Mutual** may only pay to the **Member** the cost that would have been incurred if such property had been reinstated in accordance with the provisions of Clause 1.4.5.1 of the definition of 'reinstatement', including any amount payable under these **Protections** for Extra cost of Reinstatement associated with the reinstatement of the original structure. The **Member** shall bear the balance of the cost of such better or more extensive property.

in those cases where the architectural features and/or structural materials of any of the buildings forming part of the declared values possess an ornamental, antiquarian or historical character, are heritage listed or the original materials are not available and where the property or any part thereof is lost or **Damaged**, "reinstatement" shall mean the rebuilding or replacing or repairing or restoring to a reasonably equivalent appearance and capacity using original design and suitably equivalent materials

vi) **Extra Cost of Reinstatement**

This Memorandum is applicable to buildings, machinery, plant and all other property and contents under Clause 1.3(i).

This Memorandum extends to include the extra cost of reinstatement, including demolition or dismantling of the property damaged, necessarily incurred by the **Member** to comply with the requirements of any Act of Parliament or Regulation made thereunder or any By-Law, Ordinance or Regulation of any Municipal or other Statutory Authority, which existed prior to the happening of the **Damage**.

PROVIDED THAT:

- a) extra costs shall not include the additional cost incurred in complying with any Act, Regulation, Ordinance, By-Law or requirement with which the **Member** has been duly required to comply prior to the happening of **Damage**;
- b) the work (which may be carried out wholly or partially upon another site if the aforesaid Act, Ordinance, By-Law or Regulation so necessitates) shall be commenced and carried out with reasonable despatch, failing which any amount payable hereunder shall be limited to the amount which would have been payable if this Memorandum had not been incorporated therein.
- c) if the cost of reinstatement of damaged property is less than fifty percent (50%) of that which would have been the cost of reinstatement if such property had been totally destroyed, (property in this sense shall mean the specific building or buildings and property contained therein that were damaged), the amount recoverable hereunder shall be limited to:
 - (i) the Sub-Limit stated in the **Schedule**, or the Certificate of Entry and without limiting in any way the scope of Protection provided hereunder,

- (ii) the amount available (additional to that in (i) above) under the Sub-Limit stated in the **Schedule** or the Certificate of Entry but only for the extra cost in relation to property not damaged but affected by the application of the Act, Regulation, Ordinance, or By-Law in consequence of the **Damage**.

vii) Floor Space Ratio Index (Plot Ratio)

In the event of any building(s) being damaged so as to constitute total Loss constructive total loss and, as a result of the exercise of Statutory powers and/or authority by any Government Departments, Local Government or any other Statutory Authorities, reinstatement of such building(s) is only permissible subject to a reduced floor space ratio index, the **Mutual** shall pay, in addition to any amount payable on reinstatement of such building(s), the difference between:

- a) the actual cost of reinstatement incurred in accordance with the reduced floor space ratio index; and
- b) the cost of reinstatement which would have been incurred had a reduced floor space ratio index not been applicable.

In arriving at the amount payable under (a) and (b) above, any payments made by the **Mutual** shall include the extra cost of reinstatement, including demolition or dismantling of the **Member's** property, necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made thereunder or any By-Law, Ordinance or Regulation of any Municipal or other Statutory Authority.

Payments for the difference between (a) and (b) shall be made as soon as the said difference is ascertained upon completion of the rebuilding works and certified by the architect acting on behalf of the Member in the reinstatement of the building(s).

viii) Acquired Companies

The Protection extends to include property belonging to companies and other organisations where over 50% of the voting stock is acquired by the **Member** or management responsibility is acquired or assumed by the **Member** during the **Period of Protection** subject to the **Member** declaring to the **Mutual** details of such acquisition, as soon as it is practicable to do so and provided that the business of the new acquisition shall be of a similar nature.

ix) Undamaged Foundations

Where property is destroyed but the foundations are not destroyed and, due to the exercising of statutory powers and/or delegated legislation and/or authority, by Government Department, Local Government or any other Statutory Authority, reinstatement of the property has to be carried out upon another site, the abandoned foundations will be considered as being destroyed. However, if the presence of the abandoned foundations increases the resale value of the original building site, then such increase in resale value shall be regarded as salvage and the amount thereof shall be payable to the **Mutual** by the **Member** upon completion of the sale of the site or shall be deducted from the final amount of any moneys payable by the **Mutual**, whichever shall occur later.

x) Customs, Excise and all other Duties

The **Member** is covered for liability in respect of customs, excise and all other duties which may become payable in the event of **Damage** to the protected property.

xi) Output Replacement

If the interest protected hereunder constitutes property which has a measurable function, capability or output and which is capable of replacement with a new item or items which perform a similar function, then such property shall be valued for replacement purposes as set out hereunder and restitution of any **Damage** in respect thereof shall be on the same basis:

- a) If property damaged is to be replaced by an item or items which have the same or a lesser total output, then the value thereof is the new installed cost of such replacement item or items as would give the same total function, capability or output as the property damaged.
- b) If property damaged is to be replaced by an item or items which have a greater total function, capability or output and the replacement value is no greater than the value of the property damaged, then no deduction shall be made from any claim for the improved output.
- c) If property damaged is to be replaced by an item or items which have a greater total function, capability or output and the replacement value is greater than the value of the property damaged, then the value thereof is that proportion of the new installed cost of the replacement item or items as the output of the property damaged bears to the output of the replacement item or items. Provided always that the amount payable shall not be of lesser value than the new installed cost of such replacement item or items that would give the same total function, capability or output as the property being replaced. The difference between the value for replacement purposes as defined and the new installed cost of the replacement item or items shall be borne by the **Member**.

PROVIDED THAT, in the event of partial Loss or **Damage** resulting in property having to be repaired, the **Mutual** shall limit what it pays to the cost of restoration of the damaged property to a condition substantially the same as but not better or more extensive than its condition when new and provided further that the sum which the **Mutual** pays shall not exceed the sum representing the maximum cost which the **Mutual** could have paid if such property had been wholly lost or destroyed.

xii) **Outside Premises Storage (Disclaimer)**

Where the **Member** enters into a contract for storage for goods and/or merchandise and the terms of the storage contain a disclaimer clause, this Protection provided shall not be prejudiced by the **Member** agreeing to such terms.

xiii) **Leased Building (Disclaimer)**

Where the **Member** enters into a lease agreement for occupancy of any building or part of a building and the terms of such lease includes a disclaimer clause in favour of the Lessor, then this Protection provided shall not be prejudiced by the **Member** agreeing to such terms.

xiv) **Hazardous Goods**

The storage of hazardous goods usual to the **Member's** requirements is allowed, in quantity and manner as permitted by law, or Statutory Authority.

xv) **Alternative Basis of Settlement - Obsolete Buildings and Machinery**

Obsolete buildings and machinery are not protected for reinstatement and replacement value if such buildings and machinery are listed in the **Schedule** as being obsolete or the records of the **Member** list such buildings and machinery as being obsolete.

In the event of any **Damage** to such property the **Mutual** will either pay the value thereof at the time of the happening of the **Damage** or, at the **Mutual's** option, reinstate, replace or repair such property.

For the purpose of this Memorandum, Clause (v) of this Section shall be deemed to be inoperative.

xvi) Reinstatement of Damage by the Member.

In the event of the **Member** seeking reimbursement hereunder, the **Member** may, with the consent of the **Mutual**, reinstate **Damaged** property and the **Mutual** shall pay the cost of such reinstatement (including the value of labour and other overhead charges expended thereon, together with a reasonable margin for profit to be earned by the **Member**).

PROVIDED ALWAYS THAT the amount payable by the **Mutual** shall not exceed the amount which would otherwise have been payable hereunder had such reinstatement been carried out by outside Contractors.

xvii) Designation

For the purposes of ascertaining the classification under which any property of the **Member** is protected, the **Mutual** agrees to accept any reasonable designation applied to that property as evidenced in the books or accounts or other inventory of the **Member**.

xviii) Protection to Contractors in respect of contracts for alterations, additions, repairs, maintenance or refurbishment)

This this Protection extends to include the interest of any contractor under a contract entered into by a **Member** with that contractor, and where the conditions of the contract require the **Member** to insure the Contract Works, but only in respect of contracts entered into for alterations, additions, repairs, maintenance or refurbishment of buildings not exceeding \$2,000,000 in value.

xix) Public Authority

In the event of any **Damage** covered under this **Protection** which results in the application or enforcement of any law or ordinance, in force at the time of such **Damage** and regulating the construction, repair, or use of property, this **Protection** shall may provide coverage against any or all of the following:

- a) the cost of demolishing undamaged protected property under this **Protection** including the cost of clearing the site (if any such undamaged property is required to be demolished in order to comply with such law, ordinance, Regulation or Directive
- b) the value (in accordance with the Basis of Settlement Memorandum set forth in this **Protection**) of the undamaged protected property under this Protection so demolished;
- c) the increased cost actually incurred in the repair or reconstruction of the damaged and undamaged Protected property under this **Protection** on the same or another site but limited to the costs that would have been incurred in order to comply with the requirements of such law, ordinance, Regulation or Directive.

xx) Rent Payable

This **Protection** may, notwithstanding any other term or condition this **Protection** to the contrary, extend to include rent which continues to be payable by the **Member** in respect of buildings protected hereunder (or any part thereof) which are rented to the **Member** which are destroyed or so damaged as to become untenable.

SECTION 2 – CONSEQUENTIAL LOSS

2.1 The Protection

In the event of any **Damage** to the protected property, or any other property used by the **Member** for the purpose of its business at the premises (other than Loss of Property in Transit, external to the premises), and the business carried on by the **Member** in consequence thereof is interrupted or interfered with, the **Mutual** may consider a claim by the Member for the amount of the loss and/or the expense resulting from such interruption or interference in accordance with the applicable Basis of Settlement set out herein and subject to any Limit or Sub-Limit specified in the **Schedule**.

PROVIDED THAT the **Mutual** will not pay any sum for any loss under this Section unless **Damage** to the **Member's** property is protected under Section 1, and the **Mutual** have agreed to pay the amount of loss (unless the loss under Section 1 is less than the Retention).

However, notwithstanding the provisions as aforesaid, if as a consequence of:

- a) **Damage** to property of others at any location within the premises of the **Member** which prevents **Damage** to property otherwise included under this Protection except that the property belongs to or is under the control of suppliers of land based Australian electric power, gas, telecommunication services, water or sewerage reticulation control systems (whether or not at any premises of the **Member**), other than property excluded under Section 3; sublimited to AUD 10,000,000 any one occurrence and in the aggregate.
- b) or hinders the use of or access to the **Member's** premises or parts of such premises;
- c) **Damage** to property within a radius of 1,000 meters of any premises of the **Member** caused by an **Act of Terrorism** which prevents or hinders the use of or access to those premises and which results in cessation or diminution of trade, including any cessation or diminution of trade due to temporary falling away of potential customers; sublimited to AUD 10,000,000 any one occurrence per **Member**
- d) **Damage** to any registered vehicles or trailers which are owned or operated by the **Member**, whilst within any premises included in the schedule of values

PROVIDED THAT in respect of Clause 2.1 (a) hereof the **Mutual** shall not pay for loss which occurs within the first 72 hours of any interruption to or the interference with the business in consequence of **Damage** to the property of such suppliers. Such amount of loss not to be included as aforesaid shall be additional to any other Retention that shall apply.

2.2 Calculation of Protection

The Basis of Settlement hereunder shall be in terms of any or several of the following items, subject always to the terms, conditions and limitations of amount as expressed in the **Schedule** and the amount that shall be paid by the **Mutual** shall be calculated as follows:

Item 1: Loss of and/or Increase in Cost of Working

The amount payable under this Item shall be limited to:

- i) In respect of reduction in **Revenue**:

The amount by which the **Revenue** during the **Indemnity Period** shall, in consequence of the **Damage**, fall short of the **Standard Revenue**; and

- ii) In respect of Increase in Cost of Working:

The expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Revenue** which, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the amount of the reduction in **Revenue** thereby avoided;

less any sum saved during the **Indemnity Period** in respect of such of the costs, charges and expenses of the business payable out of **Revenue** as shall cease or be reduced in consequence of the **Damage** and not exceeding the Limit stated in the Schedule.

Item 2: Loss of Government Revenue

The amount payable under this item shall be limited to:

the actual loss of Government **Revenue**, during the **Indemnity Period**, either by

- i) **Revenue** returned to the Government at its direction in respect of that already paid to the **Member** for students enrolled, but who, because of the disruption resulting from the **Damage**, withdrew their enrolment, or by
- ii) a shortfall in the **Revenue Anticipated** because of reduction in student enrolments resulting from the **Damage**.

Revenue Anticipated for the purpose of this clause shall mean the sum produced by multiplying the anticipated student enrolments by the per capita value payable by the Government for an enrolled student.

Reduction in student re-enrolments shall mean the reduced number of students in any course, at the beginning of any semester and the basis of determination of such being by the comparing of the anticipated student enrolments (based on the trending of enrolment numbers in that course for that semester over the last three-year period and allowing for economic, employment and any other relevant factors) against the actual enrolments.

Item 3: Additional Increased Cost of Working and Additional Expense

The amount payable under this item shall be limited to:

- i) the amount of expenditure (additional to the expenditure incurred for Increase in Cost of Working under Clause 2.2 Item 1(ii) hereof), reasonably incurred by the **Member** during the **Indemnity Period** in consequence of the **Damage** for the purpose of avoiding or diminishing the loss of **Revenue** and/or resuming and/or maintaining normal business operations and/or activities but not exceeding the Limit as stated in the **Schedule**, within the Commonwealth of Australia.
- ii) the Additional Expense incurred by a **Member** as a result of interruption to or interference with the business, in consequence of **Damage** to buildings or other property belonging to or utilised by the **Member**, within the Commonwealth of Australia, whether at the premises or elsewhere, and whether such building are, or such property is, used in connection with (but not restricted to) administration centres, offices, education, lecture and training facilities, research facilities, libraries store room and/or residential areas.

Additional expense for the purposes of this Item shall mean the excess expenditure necessarily incurred, beginning with the interruption to or interference with the business and ending when the business is no longer affected in consequence of the **Damage** (but not exceeding the **Indemnity Period** for this Item) over and above the costs that would normally have been incurred to conduct the business during the same period had **Damage** not occurred, (not exceeding the **Limit of Protection** stated in the **Schedule** in respect of this Item) and which expenditure was necessary in order to resume or maintain the normal business of the **Member** and shall include (inter alia) the expenses incurred in using outside property or facilities, including computer facilities, office facilities or the using of other

property or facilities of other Protected Entities, the hiring or leasing of alternative accommodation, the hiring or obtaining, including the installation of other property for temporary use, or transport arrangements to or from outside premises or facilities, provided that any salvage value of any such property remaining after re-occupation of the replacement or reinstatement of the damaged buildings or the repossession of other property reinstated or replaced, shall be taken into consideration in respect of any payment for any loss hereunder.

Item 4: Termination of Employment Expenses

The amount payable under this Item shall be limited to:

The cost, during the **Indemnity Period**, of any amounts necessarily granted to employees whose contract of service has been terminated as a direct result of the interruption to or interference with the business as a consequence of the **Damage**. Such amount shall be limited to:

- i) Salaries and wages necessarily paid in lieu of notice under award or industrial agreement;
- ii) Termination Awards under agreement by which the employee is engaged;
- iii) Termination Awards which the **Member** under its code of employment would customarily pay to such class of employees.

Excluding any payments to employees whose contract termination was planned prior to the occurrence of the **Damage**.

Such amounts shall not include Long Service Leave, Holiday pay, Superannuation payments or Workers' Compensation benefits or awards.

In the payment of any loss hereunder, account shall be taken and due allowance made:

for the separate calculation of loss under (i), (ii) and (iii) above, and

for any saving made in costs and expenses including reduced salaries and wages as a consequence of the **Damage**.

It will be a condition of **Protection** under this item that the **Member** will do all that is necessary:

- i) to ensure that student enrolments are maintained, notwithstanding the **Damage**,
- ii) to mitigate costs and expenses of every description current at the time of loss and which are avoidable or can be minimised as a result of the interruption to or interference with the business. The **Member**, however, will maintain the sole right to continue the employment of, or to dismiss, any employee.

Item 5: Loss of Rental Income – Rented-Out Properties

The amount payable under this item shall be limited to:

- a) In respect of reduction in **Rental Income**:

the amount by which the **Rental Income** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the **Standard Rental Income**; and

- b) in respect of increase in cost of working:

The expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Rental Income** which, but for that expenditure, would have taken place

during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction in **Rental Income** thereby avoided;

less any sum saved during the **Indemnity Period** in respect of such of the costs, charges and expenses of the rental properties payable out of **Rental Income** as may cease or be reduced in consequence of the **Damage** and not exceeding the **Limit** stated in the **Schedule**.

Item 6: **Accounts Receivable**

The amount payable under this item shall be limited to loss resulting from interruption to, or interference with, the business in consequence of **Damage** and the amount that may be recovered under this item is all sums due to the **Member** owed by any person or party provided the **Member** is unable to effect collection thereof as the direct result of **Damage** to records of Accounts Receivable, and in addition this item shall pay collection expenses in excess of normal collection expenses made necessary because of such **Damage**, plus interest charges at ruling bank rate on any loan to offset impaired collection.

Where there is proof that loss protected by this Item has occurred, and the **Member** cannot accurately establish the total amount of Accounts Receivable and Outstanding, as at the date of **Damage**, such amount shall be calculated on the following basis:

- a) A monthly average of Accounts Receivables shall be provided by the **Member** from available records over at least a twelve-month period, or, with the consent of the **Mutual**, over any determined shorter period, but in either case to be certified by the **Member's** Auditor or Public Accountant as being correct, and which average shall be adjusted in accordance with the known percentage variation to business income during the intervening period.
- b) The monthly average of Accounts Receivables thus established shall be further adjusted in accordance with any demonstrable variance for the particular month in which the **Damage** occurred and also for the preceding two months prior to the current month, (but only if those monthly records or documents cannot be re-established) with due consideration being given to fluctuations in business periods affecting income over those months.
- c) The Current month Accounts Receivable, (and if necessary the previous two months Accounts Receivable), thus established will then be debited with its (their) respective percentage(s) of collections, if any, either known or reasonably calculated based on credit control practices with due consideration being given to recent banking records and receipts and the balance figures thus appearing shall be deemed to represent the outstanding amounts owing to the **Member** from Customers and other Creditors at the date of **Damage**. This method of determining amounts outstanding shall not take into consideration any monthly period beyond those as herein specified.

PROVIDED ALWAYS that there shall be deducted from the total amount as above calculated;

- i) the amount of accounts evidenced by records not damaged relevant to the period of calculation;
- ii) an amount to allow for probable or known bad debts, which amounts the **Member** would have been unable to collect or in all probability would have been unable to collect.

SUBJECT to the **Limit of Protection** for this item not being exhausted, the Protection hereunder shall extend to include the reasonable fees payable by the **Member** to its Public Accountant or Auditor for certifying any particulars or details contained in the **Member's** Books of Account or other business books or records as proof or evidence to the **Mutual** under the terms hereof.

Item 7: **Professional Fees**

The amount payable under this Item shall be limited to:

The expenditure necessarily and reasonably incurred on professional fees, and such other reasonable expenses necessarily incurred by the **Member**, (not otherwise recoverable) for preparation of claims under Section 1 and/or Section 2 of this Protection. Any such amount shall be in addition to any other amounts payable under any item of **Protection**.

Coverage will not include the fees and costs of attorneys, public adjusters, and or loss appraisers, all including any or their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them nor the fees and costs of loss consultants who provide consultation on coverage or negotiate claims

Item 8: Service Interruption

The amount payable under this Item shall be limited to:

Any loss resulting from interruption of or interference with the **Member's** business in consequence of **Damage** to property that belongs to or is under the control of suppliers of land based Australian Electric power, gas, telecommunication services, water or sewerage reticulation control systems (whether or not at any premises of the **Member**)

Item 9: Denial of Access

Sublimited as per Section 2

The amount payable under this Item shall be limited to:

Any loss resulting from interruption or interference due to **Damage** to property within a radius of 5 kilometers of any premises of the **Member** caused an **Act of Terrorism** which prevents or hinders the use of or access to those premises and which results in cessation or diminution of trade, including any cessation or diminution of trade due to temporary falling away of potential customers. Subject to 30 days indemnity period and 72 hours waiting period

Item 10: Research and Development Projects

The amount payable under this Item shall be limited to:-

(a) In respect of reduction in **Revenue**:

The amount by which the **Revenue** from Research and Development Projects during the **Indemnity Period** shall, in consequence of the **Damage**, fall short of the **Standard Revenue**; and

(b) In respect of Increase in Cost of Working:

The expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Revenue** from **Research and Development Projects** of which, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the amount of the reduction in **Revenue** thereby avoided;

less any sum saved during the **Indemnity Period** in respect of such of the costs, charges and expenses of the business payable out of **Revenue** as may cease or be reduced in consequence of the **Damage** and not exceeding the **Limit of Protection** stated in the **Schedule**.

Item 11: Commission, Profits and Royalties

The amount payable under this Item shall be limited to:

The actual loss of commissions, profits and royalties under any royalty, licensing fee or commission agreement between the **Member** and another party which is not realisable due to **Damage** to the protected property.

Item 12: General Area

Cover is extended to include any loss resulting from the interruption or interference with the business, provided the interruption or interference is directly arising solely from Damage occurring to property in any commercial complex within a 5 kilometre radius of a Premises which the Premises forms a part or in which the Premises are contained which prevents or hinders the use of or access to the Premises resulting in the cessation or diminution of business activity.

2.3 Memoranda

(i) Revenue Earned Elsewhere After

If, during the **Indemnity Period**, the business shall be conducted elsewhere than at the premises where **Damage** occurred for the benefit of the business, the **Revenue** received from operations at such other premises shall be brought into account in arriving at the **Revenue** during the **Indemnity Period**.

(ii) Books of Account

Any particular details contained in the **Member** Books of Account or other business books or documents which may be required by the **Mutual** for the purpose of considering any payment hereunder may be produced and certified by the **Member** Auditors and their Certificate shall be prima facie evidence of the particulars and details to which such certificate relates.

(iii) Unproductive Salaries and Wages

The salaries and wages of employees who could otherwise be stood down in consequence of **Damage** shall not be regarded as costs, charges and expenses which do not necessarily continue as a result of the interruption or interference with the business but shall be regarded as continuing fixed costs for the purpose of Clause 2.2 Item 4 coverage hereunder, the Limit of such salaries and wages being as stated in the **Schedule**.

(iv) Severance Pay

In the event of any loss paid hereunder, due allowance shall be made for any amounts obligated or agreed to be paid by the **Member** under conditions of Industrial Awards or Determinations or decisions reached under Arbitration for Severance pay or additional wages for those employees whose services are terminated as a result of the **Damage** during the **Indemnity Period**.

(v) Loss Settlements in respect of Divisions, Departments or Individual Companies

If a **Member** business be conducted through individual Companies, Divisions or Departments, the independent financial results of which are ascertainable, the Protection provided hereunder shall, at the **Member's** option in the event of any loss settlement, apply separately to each such Company, Division or Department affected by the **Damage**.

2.4 Definitions

“Revenue” means:

a) in connection with an established Business:

Total income from all sources other than:

- Government Grants;

- Donations and bequests;
- Capital Receipts and Accretions; and
- Investment Income,
- Research Grants
- Commission Profits & Royalties
- Rental Income

Less the cost of:

- (i) Raw stock consumed in the production of saleable goods;
 - (ii) Supplies consumed, whether for the purpose of converting raw stock into saleable goods or in the supplying of income-earning services;
 - (iii) Goods sold, including packaging materials, not produced by the **Member**;
 - (iv) Cancellable Service Contracts, which service(s) would reduce proportionately with reduction in goods sold or the supplying of services for the obtaining of income.
- b) Revenue for Item 2 of 2.2 Calculation of Protection shall mean total income provided by a Government other than revenue in respect of Research and Development.
- c) Revenue for Item 3 of 2.2 Calculation of Protection shall mean total income derived from any source other than:
- Donations and bequests;
 - Capital Receipts and Accretions; and
 - Investment Income
- d) Revenue for Item 13 of 2.2 Calculation of Protection shall mean total income provided for Research and Development.
- e) in connection with buildings or other property in the course of construction, including renovations or extensions

Total anticipated income as defined in (a) above in connection with such buildings or property.

- f) “**Standard Revenue**” means:

- (i) Established Business

the **Revenue** during that period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**, (appropriately adjusted to allow for the 36 Months Indemnity Period or the Indemnity Period stated in a **Member’s Schedule**) and to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business, either before or after the **Damage**, or which would have affected the business, had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for **Damage**, would have been obtained during the relative period after the **Damage**, but in event of **Damage** before the completion of the first year’s trading or operation of the business, the term **Standard Revenue** shall bear the following meaning and not as previously stated:

- (ii) New Business

the **Revenue** realised during the period between the commencement of the business and the date of **Damage**, to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

g) “**Rental Income**” means:

gross rent and charges received or receivable from the **Member’s** leased or rented premises, calculated in accordance with the **Member’s** normal practice of assessing rent and charges.

h) “**Standard Rental Income**” means:

a) In connection with an established property the **Rental Income** during that period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**, (appropriately adjusted to allow for the 36 Months Indemnity Period or the **Indemnity Period** stated in a **Member’s Schedule**) and to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in, or other circumstances affecting, the business either before or after the **Damage** or which would have affected the business had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the **Damage**, would have been obtained during the relative period after the **Damage**, but in the event of **Damage** before the completion of the first year’s business in respect of a rental property the term **Standard Rental Income** shall have the following meaning and not as previously stated:

b) the Rental Income realised during the period between the commencement of the business for that building, renovation or extension and the date of **Damage**, to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable, the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

i) “**Indemnity Period**” means:

the period beginning with the date of **Damage** and ending not later than the number of months specified in the **Member’s Schedule** during which the business shall be affected in consequence of the **Damage**.

SECTION 3 – EXCLUSIONS TO ALL SECTIONS

3.1 Property Exclusions

The **Mutual** do not provide Protection for **Damage** under Section 1 to the following property or claims for Loss under Section 2 resulting therefrom:

(i) Money:

- a) whilst being carried by professional money carriers, professional carriers, or common carriers which is more specifically insured excepting the excess amount over and above such more specific insurance which excess is held to be protected hereunder.

Provided that where in the ordinary course of business the **Member** enters into an agreement with such carriers and such agreement provides that the Member shall indemnify and/or hold harmless and/or release from liability such carriers in respect of **Damage** which may occur as a result of any event hereby protected against, this Protection shall operate as if this property exclusion i(a) had been deleted.

- b) stolen from an unlocked and unattended vehicle;
- c) stolen from a safe or strong room opened by a key or by use of details of a combination, either of which has been left at the relevant location outside business hours, unless such key or combination details have been properly secured;
- d) where the loss of such money is not discovered within fifteen (15) working days of the event;
- e) where the loss of such money arises out of extortion by :
- (i) kidnapping;
 - (ii) bomb threat; or
 - (iii) hoax;
- or any attempt thereat
- (ii) jewellery, furs, bullion, precious metals or precious stones other than as used for exhibition or as part of the **Member's** activities;
- (iii) a) any locomotive or rolling stock or motorised watercraft,
- b) any aircraft or spacecraft (including its accessories and/or spare parts) other than as stock or merchandise of the **Member's** business or activity, or model aircraft, provided always that no protection shall apply hereunder during taxiing, take-off, flight or landing other than remotely piloted aircraft.

For the purposes of paragraph (a) above, "motorised watercraft" means:

- i) any motorised vessel, craft, thing or equipment made or intended to float on or in the water or travel on, through or under the water, exceeding 10 metres in length; ii) fittings as would normally pass with a vessel on its sale; and
- iii) machinery, fittings or accessories normally forming part of the vessel or normally carried on it; and

Provided that this exclusion shall not apply to testing or research equipment of any sort which is expected to go in, on or underwater.

A Retention of 30% of the replacement cost of the item(s) damaged will apply to this proviso.

The most that the **Mutual** will consider paying under this proviso is \$250,000 any one event

- (iv) vehicles or trailers registered or licensed to travel on a public road, provided that this exclusion shall not apply to vehicles holding a permit solely allowing travel between different sectors of the premises or to mobile plant and equipment (excluding cars, sedans, panel vans and trucks) whilst on any premises occupied or used by the **Member**. This exclusion also shall not apply to vehicles or trailers registered or licensed to travel on a public road whilst parked at the premises or parked at premises occupied or used by the **Member** if **Damage** is the result of an **Act of Terrorism**
- (v) **Animals**, other than Research Specimens, unless their loss or destruction is caused by Fire, Lightning or Explosion (and including destruction for humane reasons in consequence of injury arising from these perils). However, **Animals** for commercial and farm purposes will only be protected for the aforesaid risk if values have been declared and acceptance granted as may be evidenced by the inclusion of a Sub-Limit in the Member's Schedule;
- (vi) land, provided that this exclusion shall not apply to structural improvements on or in the land if such structural improvements are not otherwise excluded under this Protection;
- (vii) mining property located beneath the surface of the ground unless otherwise expressly stated in the Schedule;
- (viii) property damaged during the course of, and as a result of, its processing, provided, however, that if a fire or explosion ensues, the **Mutual** may reimburse the Member for the **Damage** caused by such fire or explosion;
- (ix) property undergoing construction, erection, alteration or addition including the partial dismantlement of existing structures, but only in respect of that property identifiable as forming part of 'the works', (and for which a Certificate of Practical Completion has not been issued or which otherwise has not been accepted by the Member) under any existing contract or contracts in relation to a particular project,

Provided that this Exclusion shall apply only to the works comprising such construction, erection, alteration or addition and not apply to any original or existing structures.

PROVIDED THAT this Exclusion shall not apply to property, forming part of the 'Works' under any contract or contracts, which collectively in relation to the same project do not exceed AUD 2,000,000 in value unless the Member has insurance for that risk and property.

- (x) empty premises undergoing demolition;
- (xi) Bridges, canals, roadways and tunnels, railway tracks, dams and reservoirs (other than tanks) and their contents. (Provided this Exclusion shall not apply to any of the aforementioned on the premises occupied or used by the Member)
- (xii) Docks, wharves and piers not forming part of a building; (provided this Exclusion shall not apply to any of the aforementioned on the premises occupied or used by the Member)
- (xiii) Oil and gas drilling and/or production rigs whilst offshore
- (xiv) Standing Timber other than Damage not otherwise excluded caused by fire;
- (xv) Crops and Pastures for commercial and farm purposes other than Damage not otherwise excluded caused by fire, lightning or explosion;
- (xvi) **Crops and Pastures** intended for teaching and research purposes other than for **Damage** not otherwise excluded caused by fire, lightening or explosion

- (xvii) Transmission or distribution lines (including but not limited to transformers, poles, towers or wiring and equipment connected to them), other than those owned by the Member and within 300 meters of a declared location:
- (xviii) Farm fencing and gates which enclose an agricultural area. The term agricultural shall include agricultural teaching, agricultural research as well as commercial agricultural ventures.
- (xix) Property in Transit not on the Member's premises as declared on the Schedule of Values

3.2 Risk Exclusions

This **Protection** does not cover:

- (i) Loss or **Damage** arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, reaction, nuclear radiation or radioactive contamination may have been caused.

Notwithstanding the foregoing, in the event that contaminants and pollutants, including radiological or chemical agents are released from the protected property only whilst radioactive material is used for medical research or industrial purposes within the protected location (s) in the course of the **Member's** normal activities following an **Act of Terrorism** and causes **Damage** or loss at the **Members** location(s) such Loss or **Damage** shall be covered hereunder subject to the liability of Unimutual not exceeding AUD 36,000,000 each Occurrence and in the annual aggregate. All other **Damage** from external contaminants and pollutants and all to locations outside of the Scheduled properties remains excluded.

- (ii) Loss or **Damage** occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.
- (iii) Loss by seizure or illegal occupation.
- (iv) Loss or **Damage** caused by confiscation, requisition, detention, legal or illegal occupation, embargo, quarantine, or any result of any order of public or government authority which deprives the **Member** of the use or value of its property, nor for Loss or **Damage** arising from acts of contraband or illegal transportation or illegal trade.
- (v) Loss or **Damage** by chemical or biological release or exposure of any kind.
- (vi) Loss or **Damage** by attacks by electronic means including computer hacking or the introduction of any form of computer virus. Notwithstanding the foregoing, this Protection will respond to Loss or **Damage** by attacks arising from the use of a mobile telephone, remote control or radio controlled device, or any other electronic device or system or such like, in the launch and/or guidance system and/or firing mechanism and/or detonation of any explosive, bomb, weapon or missile.
- (vii) Loss or **Damage** caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service unless otherwise protected hereunder.
- (viii) Loss or increased cost as a result of threat or hoax, in the absence of physical **Damage** due to an **Act of Terrorism**.
- (ix) Any consequential loss or **Damage**, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality or increased cost of working unless protected hereunder under Section 2

SECTION 4 – MEMORANDA APPLICABLE TO SECTIONS 1, 2 AND 3

4.1 The following MEMORANDA shall apply to all sections of this Protection.

- (i) Limits of Protection not to be reduced in the event of a claim except for an annual aggregate limit.

The Limit of Protection under each Section and/or item of this Protection shall be reinstated in the event of any claim paid at nil additional contribution, but this memorandum shall not apply where the Limit of Protection under the Section or item is an annual aggregate Limit or Sub-Limit.

- (ii) Occurrence Definition

The term “Occurrence” shall mean any one loss and/or series of losses arising out of and directly occasioned by an **Act of Terrorism** for the same purpose or cause. The duration and extent of any one “Occurrence” shall be limited to all losses sustained by the **Member** at the protected property herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this period of Protection unless the **Member** shall first sustain direct physical **Damage** by an **Act of Terrorism** prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this period of Protection.

The **Member** may choose the date and time when any such period of consecutive hours commences and, if any catastrophe is of greater duration than the periods, the **Member** may divide that catastrophe into two or more “events”, provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to the **Member** in that catastrophe, during the period of Protection.

- (iii) Waiver

The **Mutual** will not pursue any rights and remedies or relief to which the **Mutual** may become entitled:

- a) against any corporation or organisation (including its directors, officers, employees or servants) owned or controlled by the **Member** or subsidiary to any **Member**, or any co-owner of the protected property hereunder.
- b) against any statutory, governmental, semi-governmental or municipal authority, lessor, or property owner in relation to service, supply, leasing, financing, renting or similar contracts.
- c) against all parties who are subject to the coverage granted under Clause 1.4 (xx) of this Protection.

- (iv) Additions

This Protection covers the Property under the terms of Section 1 and Section 2 up to the amounts as specified in the **Schedule** at any location in respect of acquisitions by a **Member**, after the inception date of this Protection for a period of ninety (90) from date of acquisition of such location, (excluding property otherwise covered by this Protection), pending the **Member's** declaration of such property to the **Mutual**.

For purposes of this Memorandum (iv) acquisitions shall be defined as any property acquired (including property being rented, leased or purchased by a **Member**, or by whatever terms the Member is legally bound to) not on a **Member's** previously declared campus or class of property not previously in the **Members** declaration or if the property is located outside of Australia.

**(v) Errors and Unintentional Omissions**

In the event of **Damage** to the protected property under the terms of Section 1 and Loss under the terms of Section 2 and such **Damage** or Loss is not payable under this Protection solely because of:

- a) any error or unintentional omission in the description or location of protected property under this Protection, which error or omission existed at the inception date of this Protection; or
- b) any error or unintentional omission in the description or location of the protected property under this Protection, in any subsequent amendments to this Protection; or
- c) failure through error or unintentional omission to include (i) any location owned or occupied by a Member, or (ii) any protected property at any location newly acquired or occupied during the term of this Protection; or
- d) any error or unintentional omission which results in cancellation of property at any location under this Protection,

then such **Damage** or loss shall be protected to the extent that this Protection would have provided Coverage had the error or unintentional omission not been made, up to the Sub-Limits as specified in the **Schedule**.

It is a condition of this memorandum that such error or unintentional omission shall be reported and corrected when discovered.

SECTION 5 – CONDITIONS APPLICABLE TO ALL SECTIONS

(i) Misrepresentation and Non-Disclosure

If a **Member**:

- a) fails to disclose any matter which the **Member** was under a duty to disclose to the **Mutual**; or
- b) made a misrepresentation to the **Mutual** before this agreement was entered into,

and if the **Mutual** would not have agreed to cover the Member on the same terms but for the failure to disclose such matter or making of the misrepresentation,

then:

- a) The **Mutual** may decline to consider any claim hereunder for that Member until the **Mutual** believe they are in same position in which they would have been if such non-disclosure had not occurred or such misrepresentation had not been made; or
- b) if the non-disclosure or misrepresentation was fraudulent, the **Mutual** may refuse to pay the claim to the Member.

(ii) Alteration

This Protection shall not be prejudiced by:

- a) any act or omission unknown to, or beyond the control of, the **Member** on the part of any tenant occupying or using the premises;
- b) any alteration of occupancy including changes due to transfer of processes or machinery in the premises; or
- c) structural alterations and/or repairs, limited to Buildings, Machinery and Plant.

PROVIDED THAT any such act, omission or alteration, upon coming to the knowledge of the Member's Representative, shall be immediately notified to the **Mutual** and, if agreed to by the **Mutual** in writing, a reasonable additional contribution shall be charged from the date of such notice if required.

(iii) Cancellation

This Protection may be cancelled

- a) at any time at the request of a **Member** through the **Mutual** in respect only of its coverage, in which case the **Mutual** shall be entitled to retain contribution relating to that **Member's** coverage under this Protection on a rateable proportion for the period of time that **Member's** coverage has been in force, plus a percentage to be agreed of the unexpired portion of the contribution for that **Member** not exceeding 10%. In the event of claims there will be no return contribution.
- b) at any time by the **Mutual** in which case the **Mutual** shall be entitled to retain a rateable proportion of the contribution for the period the Protection has been in force, plus a percentage to be agreed of the unexpired portion of the contribution not exceeding 5%.

- c) insofar as it applies to a particular **Member**, by the **Mutual** in circumstances permitted by Section 60 of the Insurance Contracts Act 1984 (Commonwealth) and in the manner permitted under the provision of Section 59 of the said Act

This coverage shall for the purposes of this Condition (iii) be deemed extended to each **Member** in the same manner as if a separate Protection was issued to each of them and the cancellation by the **Mutual** of the coverage for the particular **Member** shall not in any way affect or prejudice the coverage for each of the remaining **Members**

(iv) Alternative Cover

- a) The **Member** shall give written notice as soon as practicable to the **Mutual** of any other insurance covering the Property
- b) If in respect of any claim for **Damage** or Loss (other than for Money as provided for in Property Exclusion 3.1 (i) (a) the **Member** is entitled to indemnity under any contract of insurance for the same **Damage** or Loss, whether such insurance was entered into by the **Member** or by a persons other the **Member**, then coverage under this Protection shall be of no effect, except for the excess over and above the amount recoverable under such contract of insurance and except as specified under item (c) below
- c) This Protection subject to its terms conditions and exclusions will provide cover as defined herein to the extent that such cover is not provided by any **local Protection**

provided that:

- (i) the local Policies issued for the **Member** shall be fully maintained in force in accordance with details lodged with the **Mutual**.
- (ii) Any sum insured limit or amount under the the **Mutual** Protection shall be reduced by an amount equal to the indemnity recoverable by the **Member** under any local Protection whether or not any claim has been made there under.
- (iii) Notwithstanding the number of separate named **Members** the aggregate liability of the **Mutual** under this Protection and the local Policies to such **Members** jointly and severally shall not exceed any limit of liability stated therein.
- (iv) The **Mutual** Protection shall not provide an indemnity in respect of any retention or other self-insurance applying in any **Local Protection**.
- (v) The **Mutual** Protection shall not provide an indemnity in respect of Loss or **Damage** irrecoverable due to insolvency of the local protection Insurer
- (vi) Protection shall not provide an indemnity in respect of Loss or **Damage** not covered under any **Local Protection** due to non-compliance with any condition or warranty relating to the protection of the protected property.

Local Protection means a Protection issued for the Member by or on behalf of the **Mutual** herein specified in a territory where the Protection is required by the Member to comply with legal requirements.

All other terms, conditions, definitions, exclusions, limitations and provisions of this Protection remain the same

(v) Notification of Claim for Loss or Damage

On the discovery of any **Damage**, the **Member** shall forthwith give notice thereof in writing to the **Mutual** and shall, within ninety (90) days after such **Damage** or such further time as the **Mutual** may in writing allow, at the Member's own expense, unless otherwise herein stated, deliver to the **Mutual** a statement in writing, containing as particular account as may be reasonably practicable of the several articles or portions of property damaged and of the amount of **Damage** relative thereto, having regard to their value at the time of the **Damage**, together with details of any indemnity or insurances on any Protected property.

The **Member** shall use due diligence and do and concur in doing all things reasonably practicable to minimise any interruption to or interference with its business or activities or to avoid or diminish loss and shall also deliver to the **Mutual** a statement setting out the amount of loss with all particulars and details reasonably practicable of the loss and shall produce and furnish all books of accounts and other business books, invoices, vouchers and all other documents, proofs, information, explanations and other evidence and facilities as may reasonably be required for investigation and verification of the amount claimed together with (if requested) a statutory declaration of the truth of the amount claimed and of any matters connected therewith.

(vi) **Fraud**

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Member or anyone acting on the **Member's** behalf to obtain any benefit under this Protection: or if any **Damage** be occasioned by the wilful act or with the connivance of the **Member**, the **Mutual** without prejudice to any other right the **Mutual** have, shall be entitled to refuse to consider or pay any such claim.

(vii) **Reinstatement**

If the **Mutual** determines to reinstate or replace any property, the **Member** shall, at the **Mutual's** own expense, produce and deliver to the **Mutual** all such plans, documents and information as the **Mutual** may reasonably require. The **Mutual** need not consider reinstating exactly or completely, but only as circumstances permit and in reasonably sufficient manner and shall not in any case expend more than the applicable Limit.

(viii) **Rights of the Mutual**

On the happening of any **Damage** in respect of which a claim is or may be made under this Protection, the **Mutual** may enter, take or keep possession of or require to be delivered to the **Mutual** any of the property hereby protected and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner. The **Member** will comply with the requirements of the **Mutual** and will not hinder or obstruct the **Mutual** in doing any of the abovementioned acts.

The **Member** shall not in any case be entitled to abandon any property to the **Mutual**, whether taken possession of by the **Mutual** or not.

(ix) **Recovery by the Mutual from Third Parties**

A **Member** claiming under this Protection shall, at the request and at the expense of the **Mutual**, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the **Mutual** for the purpose of enforcing any rights and remedies, or of obtaining relief or cover from other parties to which the **Mutual** shall be or would become entitled or subrogated upon the **Mutual** paying for or making good any loss, destruction or consequential loss under this Protection.

(x) **Precautions to prevent**

The Member shall take all reasonable precautions to prevent **Damage** to the property and to prevent any further **Damage** in the event of any happening that causes **Damage**.

(xi) Reasonable Despatch

If, following **Damage** to the property, the **Member** considers the resumption of its business activity and/or the work of reinstating or replacing or repairing the property poses a threat to human life or safety and as a result of the **Member** delays commencement of all or part of the resumption of its business activity and/or all or part of the work of reinstatement or replacement or repairing, then the **Mutual** agrees that any such delay will be deemed to be beyond the control of the **Member** and that the **Member** is acting with reasonable despatch and due diligence.

(xii) Observance of Terms and Conditions

If the **Member** fails to observe or fulfil the terms and of this Protection insofar as they relate to anything done or complied with by the **Member** then the **Mutual** may reduce the sum(s) payable to the Member in respect of any claim made hereunder.

(xiii) Progress Payments

Provided the **Mutual** has determined to pay any claim, progress payments on account of any such claim may be made to the **Member** at such intervals and for such amounts and on such terms as the **Mutual** deems reasonable.

(xiv) Rights of Third Parties

This Protection is effected solely between the **Member** and The **Mutual**. This Protection shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any terms of the Protection. This clause shall not affect the rights of the **Member**

(xv) Governing Law and Jurisdiction

This Protection shall be governed by and construed in accordance with the law of the Commonwealth of Australia and each party agrees to submit to the exclusive jurisdiction of the courts of the Commonwealth of Australia.



PART 9B – LIABILITY TERRORISM PROTECTION

Liability arising from an **Act of Terrorism**

This is a claim's made **Protection** which applies only to **claims** first made against the **Member** during the **Protection Period**. This **Protection** is subject to the terms and conditions of this section of the PDS and the relevant definitions as highlight in bold text.

DEFINITIONS

This **Protection** is subject to the following definitions:

Act of Terrorism

an act, including but not limited to the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and / or to put the public, or any section of the public, in fear.

Bodily Injury

all physical injury to a third party human being including death, sickness, disease or disability and all mental injury, anguish or shock to such human being resulting from such physical injury,

Claim

that part of each written demand received by **you** for monetary damages covered by this Protection, including the service of suit or institution of arbitration proceedings. The term "claim" shall not include a demand for an injunction or any other non-monetary relief.

Defence Costs

investigation, adjustment, appraisal, defence and appeal costs and expenses and pre and post judgement interest, paid or incurred by or on behalf of **You**

Your or your employees salaries, expenses or administrative costs shall not be included within the meaning of Defence Expenses.

Property Damage

physical loss of, physical **Damage** to or physical destruction of tangible property of a third party, including loss of use of the tangible property so lost, damaged or destroyed and/or removal of **Debris** from third party property.

Occurrence

any one loss and/or series of losses arising out of and directly occasioned by one Act or series of related **Acts of Terrorism** for the same purpose or cause. The duration and extent of any one "Occurrence" shall be limited to all losses directly occasioned by one Act or series of **Acts of Terrorism** arising out of the same purpose or cause during any period of 72 consecutive hours commencing at the time of the first such act and within a radius of ten (10) miles of the location of the first such **Act of Terrorism**.

Compensation

the amount **you** are obligated to pay, by judgement or settlement, as damages resulting from a **claim**, including **Defence costs** in respect of such **claim** arising out of one **occurrence**.

However for the purposes of this Protection no period of 72 consecutive hours shall commence prior to the attachment of this policy.

1.1 What is Protected

The **Member** has the right to claim **Protection** for any amount that you are legally liable to pay as **compensation** and claimants cost and expenses as a result of:

- a) **claims** first made against the **Member** during the **Protection period** set out in the **schedule**; or
- b) **claims** or circumstances likely to give rise to a **claim** protected hereunder that are reported in writing to Us within 30 days after the expiry of this **Protection Period**;

provided always that such **claims** arise out of an **occurrence** that takes place during the **Protection Period**, for **bodily injury** and/or **property Damage** resulting solely and directly from an **act** or **acts of terrorism**

1.2 If your claim is successful

We may pay for:

- a) The **compensation** that **you** are legally obliged to pay; and
- b) Your **defence costs**

1.3 Maximum protection

The most **we** will pay under this **Protection** is **your limit of Protection**, as set out in Item 2 of the **schedule**, any one **occurrence** per **Member**.

Regardless of the number of **occurrences** or claims made against the **Member** and/or **Affiliate**, **our** total **Protection** shall not exceed the amount of **Limit of Protection** each **occurrence** as set out in Item 2 of the **schedule**. Such limits include **defence costs**.

1.4 What is not protected

We will not protect **you** for any actual or alleged liability for:

1.4.1 Asbestos

For **bodily injury** and/or **property Damage** directly or indirectly relating to the actual, alleged or threatened presence of asbestos in any form;

1.4.2 Computer virus

Loss, injury or **Damage** by attacks by electronic means including computer hacking or the introduction of any form of computer virus, however this exclusion does not apply to loss or **Damage** by attacks arising from the use of a mobile telephone, remote control or radio controlled device, or any other electronic device or system or such like, in the launch and/or guidance system and/or firing mechanism and/or detonation of any explosive, bomb, weapon or missile, subject always to the terms and conditions of this **Protection**.

1.4.3 Discrimination

Bodily injury or **property Damage** arising out of discrimination or humiliation;

1.4.4 Essential services

Loss or **Damage** caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies, telecommunications or service of any type.

1.4.5 Failure to supply

Loss, injury or **Damage** resulting from delay or loss of markets, failure to supply goods or services, or failure to perform however caused or arising, and despite any preceding loss **protected** hereunder.

1.4.6 Fines and penalties

For fines, penalties, punitive damages, exemplary damages, or any additional damages resulting from the multiplication of compensatory damages;

1.4.7 Hoax

Loss or increased cost, as a result of a threat or hoax, in the absence of physical damage due to an **act of terrorism**.

1.4.8 Known claims and circumstances

For any **claims** or circumstances disclosed on the Application for this **Protection**.

Nothing contained in the above exclusions shall extend this **Protection** to cover any liability which would not have been covered had these exclusions not been incorporated herein.

1.4.9 Mental injury

Mental injury, anguish or shock where no **bodily injury** has occurred to the claimant;

1.4.10 Nuclear

Loss, injury or **Damage** arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.

1.4.11 Other Insurance

Where the **Member** is, irrespective of this **Protection**, entitled to be indemnified in whole or in part by any other insurance in respect of any damages which would otherwise have been covered in whole or in part by this **Protection**, there shall be no contribution or participation by **Us** on the basis of any deficiency, concurrent or double insurance for such damages or that part of such damages for which the **Member** is entitled to be indemnified by such other insurance.

1.4.12 Owned, leased and property in CCC

Loss or **Damage** to property

- a) owned, leased, rented or occupied by the **Member**;
- b) in the care, custody or control of the **Member**;

1.4.13 Pollution

Loss, injury or **Damage** directly or indirectly arising from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant of toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment or loss, injury or **Damage** directly or indirectly arising from chemical or biological release or exposure of any kind.

However, notwithstanding the above and subject to all other terms, conditions and exclusions of this **Protection**, coverage shall be given for damages on account of **bodily injury** and/or **property Damage**, and for the costs of cleaning up pollutants or contaminants, arising out of an **occurrence** as defined herein in respect of a discharge of pollutants, contaminants, chemicals or a biological release immediately, solely and directly caused by an **act of terrorism**, and only where the pollutants or contaminants or chemicals were present at the location of an **act of terrorism** prior to such act.

1.4.14 Public authority

Loss, injury or **Damage** caused by confiscation, requisition, detention, legal occupation, embargo, quarantine, or any result of any order of public or government authority which deprives the **Member** of the use or value of its property, nor for loss or **Damage** arising from acts of contraband or illegal transportation or illegal trade.

1.4.15 Seizure

Loss by seizure or illegal occupation unless caused directly by an **act of terrorism**.

1.4.16 Vandals, riot and civil commotion

Loss, injury or **Damage** caused by vandals or other persons acting maliciously or by way of protest or strikes, riots or civil commotion unless caused directly by an **act of terrorism**.

1.4.17 War

Loss, injury or **Damage** occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.

1.4.18 Workers compensation

Bodily injury to employees or contract workers of the Member or arising under any workers' compensation, unemployment compensation or disability laws, statutes, or regulations;

1.5 Claim Conditions

This **Protection** is subject to the following conditions: -

1.5.1 Member only

Only the **Member** may apply to us for **Protection** whether for the benefit of the **Member**, **Affiliate** or any protected person.

1.5.2 Notice of claim

As a condition precedent to coverage under this **Protection**, immediate written notice must be given to **us** of any **claim** or circumstance that, alone or in combination with any other **claims** or circumstances, may give rise to liability.

For the purpose of this condition 1.5.2 the **Member** will notify **us** of any **claim** covered hereunder, or circumstances likely to give rise to a **claim** that would be covered hereunder, for which the **Member** is alleged to be liable without regard to the amount of damages claimed.

1.5.3 Prevention of further claims

As soon as the **Member** becomes aware of an **occurrence** or receives a **claim**, the **Member** shall promptly, and at its own expense, take all reasonable steps to prevent further **bodily injury** and/or **property damage** resulting from the same **occurrence** or conditions which may give rise to a similar **occurrence**.

1.5.4 Apportionment of Defence costs

Whenever any written demand received by the **Member** for damages is finally resolved by a payment by the **Member** which, regardless of the amount thereof, is only covered in part by this **Protection**, then the percentage of any **defence costs** that can be included in the **compensation** recoverable hereunder shall be calculated by dividing that part of such payment which is covered by this **Protection**, by the total amount paid by the **Member**.

1.5.5 Subrogation

Where an amount is paid by **Us** under this **Protection**, the **Member's** rights of recovery against any other person or entity in respect of such amount shall be exclusively subrogated to **ss**. At **our** request the **Member** will assist, co-operate and lend its name to the exercise of **our** rights of subrogation. The **Member** is hereby authorised to waive any rights of recovery in relation to any other party, provided such waiver is given in writing prior to the relevant **occurrence**, subject to prior agreement by **us**.

1.5.6 Assignment

Assignment of interest under this **Protection** shall not bind The **Mutual** unless and until **our** written agreement thereto is secured.

1.5.7 Other claims procedures

- a) **You** must not make any admission of liability or offer, promise or payment (including an agreement to pay **defence costs**) without **our** written consent. However, payments can be made as long as:
 - i) such payments do not exceed the **retention**; and
 - ii) such payments are made without any admission of liability.
- b) **We** may, at our discretion, take over and conduct the defence or settlement of any **claim** in **your** name. **We** may also bring, in **your** name, any claim or proceeding against another person from whom **we** may recover, for **our** benefit, any amount paid to **you** under this **Protection**.
- c) In respect of every **claim**, **you** must:
 - i) give us any evidence, information, assistance or supporting documentation we need about the claim or in any claim we may have against another person; and
 - ii) ensure that you preserve all property, products, appliances, plant or other things that may assist in the investigation or defence of the claim or in any claim we may have against another person. Until we have had an opportunity of inspection, you must not carry out any alteration or repair without our written consent.

1.6 Other Conditions

1.6.1 Protection maintenance

Any protections and safeguards provided for the protection of persons and/or property shall be maintained in good order throughout the currency of this **Protection** and shall be in use at all relevant times, and that such **Protection** shall not be withdrawn or varied without **our** consent

1.6.2 Inspection

We may at any reasonable time carry out an inspection of the premises owned or occupied by **you**. If **we** discover:

- a) any defect in property or any ongoing breach of statutory requirements causing unnecessary danger; or
- b) any operation or process which is potentially and unreasonably dangerous;

We may give thirty (30) days written notice to the **Member** requiring that such dangerous property, operation or process be remedied. If **you** fail to implement **our** requirements, all protection in connection with such property, operation or process will be suspended until such time as the remedial action has taken place

1.6.3 Cancellation

Cancellation of this **Protection** may be effected only by the **Mutual** or **our** representatives sending by certified or registered mail, notice to the **Member** stating when, not less than 30 days thereafter, cancellation shall be effective. Delivery of such written notice by **us** or **our** representatives shall be equivalent to sending by certified or registered mail.

If this **Protection** is cancelled by **us**, **we** shall retain the pro rata proportion of the Contribution for the period this **Protection** has been in force.

1.6.4 Automatic Cancellation

Cancellation of this **Protection** shall automatically occur in the event of non-payment or short payment of contribution for other casualty classes. Automatic cancellation will occur on the same date that part 5 Section 1 cover terminates.

This **Protection** shall be non-cancellable by the **Member**.

1.6.5 Law and Jurisdiction

This **Protection** shall be governed by and construed in accordance with the laws of Australia whose law will apply to **protection** Disputes between the **Member** and The **Mutual**

1.6.6 Onus of proof

In any arbitration or other proceeding to enforce a claim for loss under this **Protection**, the burden of proving that the loss is recoverable under this **Protection** and that no limitation or exclusion of this **Protection** applies and the quantum of loss shall fall upon the **Member**.



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Unimutual Limited

Product Disclosure Statement

PART 10 – Fine Art, Rare Books and Collectables Protection

This is Part 10 of the PDS dated 1 November 2023 issued by

Unimutual Limited
Phone: (02) 9169 6600
Email: service@unimutual.com.au
Website: www.unimutual.com
AFS Licence No: 241 142
ABN: 45 106 564 372



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INTRODUCTION

As a **Member** of the **Mutual** for the **Protection Period**, the **Member** is entitled to have claims for **Protection** considered by the Board. The Board will consider the **Member's** claims for **Protection** in accordance with the terms, conditions, definitions, exclusions and endorsements of these **Protections**. Please note that these **Protections** should be read in conjunction with the;

- **Certificate of Entry** and
- **Schedule** issued to the **Member** and
- the Constitution and Rules of the **Mutual**.

The **Member** has the right to have a claim for **Protection** considered if the **Protected Property** suffers **Damage** not otherwise excluded by these **Protections**, at any time during the **Protection Period**.

DEFINITIONS

Certain words have special defined meanings and those words appear in bold font. The following definitions shall apply for purposes of these **Protections**.

Act(s) of Terrorism

means and includes an act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisations(s) or government(s) de jure or de facto, and which:

- (a) involves violence against one or more persons; or
- (b) involves **Damage** to property; or
- (c) endangers life other than that of the person committing the action; or
- (d) creates a risk to health or safety of the public or a section of the public; or
- (e) is designed to interfere with or to disrupt an electronic system.

Affiliate

means

- (a) any college, hall of residence, union, club, society, association, foundation or institute incorporated or unincorporated, affiliated with, registered with or operating within the framework of a **Member** and formed by or with the knowledge and consent of a **Member** or **Affiliate** (including members of and office bearers of such clubs, associations and societies); and /or
- (b) any person or group of persons being members of or students of or employed by **Members** or their **Affiliates** or performing any function whatsoever in Australia, or elsewhere under the aegis of the **Member** or an **Affiliate**; and/or
- (c) any entity wholly or partly owned or controlled by a **Member** which has been accepted by the **Mutual** as an **Affiliate** at the request of the **Member** and specified as such in the **Certificate of Entry** or **Schedule**; and/or
- (d) any entity which a **Member**; or any entity specified in (a) or (c) above, has, under contract or otherwise, agreed to include in their **Protections** but only to the extent required by such contract



or agreed to by the **Member** or entity specified in (a) or (c) above and which has been accepted by us.

- (e) Any past **Affiliate** whilst they were deemed an **Affiliate** of the **Member**

Agreed Value

means the value agreed by the **Member** and the **Mutual** for the purpose of this Protection only. No representation is made by the **Mutual** that those values represent the **Market Value** or any other basis of value.

Agreed Value Schedule

A schedule containing the values the **Member** has agreed with the **Mutual** for **exhibit(s)** or **contents**.

Alarm

means a monitored fully functioning back to base alarm which is subject to a current Preventative Maintenance Schedule

Certificate of Entry

means the Certificate issued by the **Mutual** to each **Member** on admission each **Protection Period**.

Communicable Disease

means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- (a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- (b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- (c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of **Protected Property**

Contribution

means any monies payable to the **Mutual** by a **Member** pursuant to Rule 6 and Rule 9, for the rights to claim for **Protection**.

Damage

means physical loss, or physical damage which is sudden and unforeseen by the **Member**.

Depreciation

The reduction in value of an item caused directly by **Damage** to the item and arrived at with reference to the full **Agreed Value** of the item as per the Basis of Settlement and its condition prior to the **Damage**.

Exhibit(s)

Any item or items held in your institution's collections (temporary or permanent).



In the open

Not in an area that can be locked or secured.

Jewellery and/or Watches

means watches, gemstones, pearls, items of gold or silver or other precious or semi-precious metal and/or articles comprising them, designed to be worn on the person.

Limit of Protection

means the applicable **Limit of Protection** for any one loss or series of losses arising out of any one event or **Sub-Limit of Protection** set out in the **Schedule**.

Market Value

means the price a willing buyer would pay to a willing seller with good title at the place the item(s) were located immediately prior to the loss after a reasonable period for marketing the item(s) taking into account the state of the market for item(s) of that type, the size, condition and provenance and, where applicable, its position within the artist's body of work.

Member

means the entity specified as the **Member** in the **Schedule (including "you" and "your")**. **Member** shall include **Affiliate**.

Member's Representative

means a person nominated by a **Member** to exercise the privileges of membership on the **Member's** behalf.

Mutual

means Unimutual Limited (including "we" "us" and "our").

Named Location(s)

Locations specified in the **Schedule**.

Premises

means any campus or other location where the **Member** conducts business specified under **Named Location(s)** in the **Schedule**, but not any outdoor part, outbuildings or the common parts of any leased or rented premises, unless **Protection** on these is agreed by the **Mutual**.

Protected Property

means property described in the **Schedule** belonging to the **Member** or for which the **Member** is legally responsible or has assumed responsibility to provide **Protection** for, prior to the occurrence of **Damage**

Protection(s)

means the discretionary membership benefits given to a **Member** by the **Mutual** as described in this document.



Protection Period

means the period shown in the **Schedule** and any subsequent period for which the **Mutual** has agreed to renew or extend these **Protections**.

Retention

means the amount that the **Member** must contribute to the settlement of each successful claim for **Protection**. The **Retention** amount is set out in the **Schedule**.

Schedule

means the latest **Schedule of Protections** issued by the **Mutual** to the **Member** containing the **Limits and Sub-Limits of Protection** and **Retention**.

Temporary

For a period not exceeding ninety (90) days.

War

means war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion the proportions of or amounting to an uprising, military or usurped power.

PROTECTION

Subject always to all the terms, conditions and exclusions of these **Protections**, including the **Limits** and **Sub-Limits** of **Protection** as set out in the **Schedule**, the **Mutual** may provide **Protection** for the **Member** for **Damage** to the **Exhibits(s)** up to the total sum stated in the **Schedule** while at the **Named Location(s)**, or while removed for a temporary period, and within the territorial limits stated in the **Schedule**, happening during the **Protection Period** which is not otherwise excluded in these **Protections**.

All **Exhibit(s)** kept in the open must be individually specified or they will not be covered under these **Protections**.

1. Basis of Settlement

1. In the event of a total loss, the basis of settlement will be:
 - 1.1. for **Exhibit(s)** specified on the **Agreed Value Schedule** (if applicable) and clearly identifiable from any other **Exhibit** in the collection, the **Agreed Value**;
 - 1.2. for **Exhibit(s)** not specified on the **Agreed Value Schedule** (if applicable) the **Market Value** immediately prior to loss;
 - 1.3. for **Exhibit(s)** loaned to you, the value specified on the Loan Agreement;
 - 1.4. for **Exhibit(s)** in your care, custody or control that belong to third parties and which may not be on the **Premises**, the lesser of the **Market Value** immediately prior to the loss or your legal liability to the third party.
2. In the event of partial **Damage** to any **Exhibit(s)**, the amount payable shall be the cost and expense of restoration plus any resulting **Depreciation** in value but not exceeding the full **Agreed Value** of that **Exhibit** as calculated under 1. Above.

In no event will the **Mutual** be liable for more than the total limit stated in the **Schedule**.

Any disagreements as to the **Market Value** are to be resolved in accordance with the Dispute Resolution Clause in the Rules of the **Mutual**.

GENERAL PROTECTION CONDITIONS

1. Access

On the happening of any **Damage** in respect of which a claim is or may be made under these **Protections**, the **Mutual** may enter, take or keep possession of or require to be delivered to the **Mutual** any of the property hereby protected and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner. The **Member** will comply with the requirements of the **Mutual** and will not hinder or obstruct the **Mutual** in doing any of the abovementioned acts.

The **Member** shall not in any case be entitled to abandon any property to the **Mutual**, whether taken possession of by the **Mutual** or not.

2. Cancellation

These **Protections** may be cancelled by the **Mutual** or the **Member** in accordance with the Rules of the **Mutual**.

3. Due Diligence

The **Member** must take all reasonable care and measures to protect the **Protected Property**, to maintain it in good and proper condition and to avoid and minimise any losses under these **Protections**.

4. Exhibit(s) – Loaned Items

- 4.1. For **Exhibit(s)** loaned to the **Member**, values for the purpose of these **Protection** should be agreed between the **Member** and the owner before the loan is accepted and should be documented in a Loan Agreement. Anything first loaned to the **Member** after the inception of these **Protections** with no Loan Agreement will not be **protected**.
- 4.2. Loan Agreements must incorporate the following:
 - 4.2.1. the name of the owner;
 - 4.2.2. a statement specifying which party shall be responsible for any loss or **Damage** and when risk transfers;
 - 4.2.3. a description of each **Exhibit** loaned;
 - 4.2.4. the loan value of each **Exhibit** consigned, as agreed between the **Member** and the owner.

5. Consignment of Exhibit(s)

Exhibit(s) must not be given to any third party without the written approval of the owner of the **Exhibit(s)**. If there is a breach of this Clause, the **Mutual** will not pay any claim arising whilst the **Exhibit** is out of the **Member's** possession (with the exception of whilst being in the possession of specialist transporters, art handlers, conservators, framers, and specialist photographers).

6. Governing Law and Jurisdiction

These **Protections** shall be governed and construed in accordance with the laws of the Commonwealth of Australia. Any dispute under these **Protections** will be settled in accordance with the laws of the Commonwealth of Australia.

7. Information

The **Mutual** has accepted and set the terms of these **Protections** based on the information provided by the **Member**. If this is not accurate or circumstances change in such a way as to affect these **Protections**, the **Member** must tell the **Mutual** as soon as reasonably practicable. Without prejudice to any other rights the **Mutual** may have in respect of any misrepresentation or non-disclosure that may have occurred, the **Mutual** may impose conditions for continuing **Protection** including an increase in **Contribution**.

8. Packing and Transportation

The **Member** must ensure that **Exhibit(s)** are securely and adequately packed in storage and whilst in transit so as to withstand the normal hazards associated with storage or transit. If the **Member** fails to comply, the **Mutual** may exercise its discretion to provide **Protection** for the **Member**, including the option to decline any claim.

9. Protections Maintenance

- 9.1. The **Member** must ensure that all physical protections notified to the **Mutual** are engaged whenever the **Named Location(s)** are left unattended and that all keys to all safes, strong rooms and final exit doors are removed. If the **Member** fails to comply, the **Mutual** may exercise its discretion to provide **Protection** for the **Member**, including the option to decline any claim.
- 9.2. The **Member** must ensure that all fire **Alarm** and security **Alarm** systems notified to the **Mutual** are activated whenever the **Named Location(s)** are left unattended. The **Member** must also advise the **Mutual** as soon as reasonably possible if for any reason an **Alarm** system is not working properly. The **Mutual** may then vary the terms and conditions of these **Protections**. All **Alarm** systems must be subject to a current Preventative Maintenance schedule. If the **Member** fails to comply, the **Mutual** may exercise its discretion to provide **Protection** for the **Member**, including the option to decline any claim.

10. Reinstatement

In the event of a loss under these **Protections**, the amount of such loss is automatically reinstated immediately without additional **Contribution** and these **Protections** shall remain in force for the full amounts set out in the terms and conditions of these **Protections**.

11. Third Parties

The **Member** and the **Mutual** are the only parties to these **Protections**. No bailee or any person to whom the protected property is entrusted for any purpose, including transit or storage, has any rights under these **Protections**.

12. Disputes

Any disputes arising shall be solely dealt with initially by the Board or as set out within the Rules of the **Mutual**.

GENERAL CLAIMS CONDITIONS

1. Notification of Claim or Loss

Only the **Member** may apply to the **Mutual** for **Protection**.

On the discovery of any **Damage**, the **Member** shall as soon as reasonably practicable give notice thereof in writing to the **Mutual** and shall, within thirty (30) days after such **Damage** or such further time as the **Mutual** may in writing allow, at the **Member's** own expense, unless otherwise herein stated, deliver to the **Mutual** a statement in writing, containing as particular account as may be reasonably practicable of the several articles or portions of property damaged and of the amount of **Damage** relative thereto, having regard to their value at the time of the **Damage**, together with details of any indemnity or insurances on any **Protected Property**.

The **Member** must not admit liability or commence negotiations with any third party without the written consent of the **Mutual**.

2. Your Right to Buy Back Exhibit(s)

Following payment of the full amount **Protected** for any **Exhibit**, pair or set, title passes legally to the **Mutual**. However, the **Member** will have the right to buy back from the **Mutual** title to the damaged or lost **Exhibit**, pair or set. If the **Exhibit** is undamaged, the **Member** will be able to buy it back for the amount the **Mutual** paid in settlement. If the **Exhibit** is damaged, the value will be the amount agreed by the **Mutual** with the **Member**. The **Member** must exercise this option within sixty (60) days of being notified of the **Exhibit** being recovered.

3. Subrogation

The **Mutual** may pursue in the **Member's** name but at the expense of the **Mutual**, recovery of any amounts paid or payable under these **Protections**. The **Member** shall give the **Mutual** such assistance as the **Mutual** may reasonably require including the **Member's** agreement to commence proceedings. In the event of a recovery following subrogation, **our** loss (including costs of recovery) will be reimbursed to **us** prior to **you** being paid **your Retention**. The **Mutual** will not pursue carriers, packers or exhibition organisers without first seeking the **Member's** prior consent.

4. Right to Settle Claims with Third Parties

For claims for property entrusted to the **Member**: the **Mutual** may adjust losses with the owners of lost or damaged property for which the **Member** is claiming under these **Protections**. If the **Mutual** pays such owners, such payments will satisfy a **Member's** claim against the **Mutual** for the owners' property. The **Mutual** will not pay the owners more than their financial interest in the protected property or the amount in accordance with the applicable **Basis of Settlement** under these **Protections**, whichever the lesser.

5. Loss in Progress at Expiry

If these **Protections** should expire whilst any loss, destruction or **Damage** is in progress it is understood and agreed that subject to the other terms and conditions of these **Protections** the **Mutual** is responsible as if the entire loss, destruction or **Damage** had occurred prior to the expiration of these **Protections** provided that no part of that loss, destruction or **Damage** may be claimed against any renewal of these **Protections**.

6. Bankruptcy, Insolvency or Termination

In the event of bankruptcy, insolvency, dissolution, winding up or termination, voluntary or involuntary, of the **Member** or any party claiming to be indemnified hereunder, the **Mutual** shall not be relieved



thereby of the payment of any claim hereunder because of such bankruptcy, insolvency, dissolution, winding up or termination.

7. Goods & Services Tax

Where settlement is made under these **Protections** wholly or partly by way of payment

7.1 for the acquisition of goods, services or other supply; or

7.2 compensation instead of payment for the acquisition of goods, services or other supply,

the **Mutual** shall reduce the settlement amount by:

7.3 the amount of any input tax credit that the **Member** is or will be entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to the acquisition of such goods, services or supply;

7.4 the amount of any input tax credit that the **Member** would be entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the monetary compensation been applied to acquire such goods, services or supply.

GENERAL EXCLUSIONS

Notwithstanding any provision to the contrary within these **Protections** or any endorsement thereto it is agreed that these **Protections** exclude loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

1. Loss, **Damage** or expense caused by or resulting from:
 - 1.1. natural ageing, gradual deterioration, inherent vice, latent defect, rust or oxidation, moth or vermin, warping or shrinkage, mould, insects, fungus, mildew, corrosion, nature of the subject matter protected;
 - 1.2. aridity, humidity, exposure to light or extremes of temperature unless such loss or **Damage** is caused by storm, frost or fire or another sudden unforeseen event;
 - 1.3. any process or alteration, refurbishment, repair, maintenance; dismantling, restoration, decoration, heating, drying, cleaning, washing, or dyeing;
 - 1.4. confiscation, nationalisation, requisition by or under the order of any government or public or local authority.
2. Loss, **Damage** directly or indirectly arising from, caused or contributed by or happening through or in consequence of:
 - 2.1. **War**;
 - 2.2. **Act of Terrorism**
 - 2.3. actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto;
 - 2.4. nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused;
 - 2.5. building work with a contract value in excess of AUD 50,000 (or currency equivalent) unless **The Mutual** have agreed this in writing.
3. Fees and expenses incurred by **you** in the preparation of a claim.
4. Any claim which is also recoverable under another **Protection** or insurance policy or would be but for the existence of these **Protections**.
5. Items kept **in the open**, unless specifically declared to the **Mutual** as such and agreed by the **Mutual** at the applicable **Contribution**.
6. The amount of the **Retention** stated in the **Schedule** for each and every loss.
7. **Damage to Jewellery & Watches**, unless the **Mutual** agrees **Protection** in writing.
8. Mysterious disappearance or unexplained loss.
9. **A Member** or another party's insolvency, scheme of arrangement or similar arrangement.

SPECIFIC EXCLUSIONS

1. Sanction Limitation and Exclusion Clause

The **Mutual** shall not be deemed to provide **Protection** and the **Mutual** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such **Protection**, payment of such claim or provision of such benefit would expose the **Mutual** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America, or Australia and New Zealand.

2. Fraud

If any claim be in any respect fraudulent, or if any fraudulent means or devices be used by the **Member** or anyone acting on the **Member's** behalf, to obtain any benefit under these **Protections** or,

if any **Damage** be occasioned by the wilful act or with the connivance of the **Member**,

the **Mutual**, without prejudice to any other right the **Mutual** has, shall be entitled to refuse to consider or pay any such claim.

3. Termination of Transit Clause (Terrorism)

This Clause shall be paramount and shall override anything contained in these **Protections** inconsistent therewith.

1. Notwithstanding any provision to the contrary contained in these **Protections** or the Clauses referred to therein, it is agreed that in so far as these **Protections** protect against loss of or **Damage** to the subject matter protected caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or any person acting from a political, ideological or religious motive, such **Protection** is conditional upon the subject matter protected being in the ordinary course of transit and, in any event,

SHALL TERMINATE:

Either

- 1.1. as per the transit clauses contained within these **Protections**,
- or
- 1.2. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in these **Protections**,
- 1.3. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in these **Protections**, which the **Member** or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
- 1.4. when the **Member** or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit,
- or
- 1.5. in respect of marine transits, on the expiry of sixty (60) days after completion of discharge overside of the subject matter protected from the overseas vessel at the final port of discharge,

- 1.6. in respect of air transits, on the expiry of thirty (30) days after unloading the subject matter protected from the aircraft at the final place of discharge,

whichever shall first occur.

If these **Protections** or the Clauses referred to therein specifically provide **Protection** for inland or other further transits following on from storage, or termination as provided for above, **Protection** will re-attach, and continues during the ordinary course of that transit terminating again in accordance with Clause 1.

4. Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion

This Clause shall be paramount and shall override anything contained in these **Protections** inconsistent therewith.

1. In no case shall these **Protections** cover loss **Damage** liability or expense directly or indirectly caused by or contributed to by or arising from:
 - 1.1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - 1.2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - 1.3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - 1.4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this Sub-Clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
 - 1.5. any chemical, biological, bio-chemical, or electromagnetic weapon.

5. Communicable Disease

Notwithstanding any provision to the contrary within this **Protection** or any endorsement thereto, this **Protection** does not cover any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease**.

For the purposes of this Exclusion, loss, **Damage**, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

5.1 for a **Communicable Disease**, or

5.2 any **Protected Property** that is affected by such **Communicable Disease**.

This Exclusion applies to all coverage extensions, additional coverages, exceptions to any Exclusion and other coverage grant(s).

All other terms, conditions and Exclusions of this **Protection** remain the same.

6. Cyber Exclusion (Targeted Cyber Attack Write-Back)

1. Subject to paragraphs 2, 3 and 5 below, in no case shall this **Protection** cover loss, damage, liability or expense directly or indirectly caused by, contributed to by or arising from:
 - 1.1. the failure, error or malfunction of any computer, computer system, computer software programme, code, or process or any other electronic system, or
 - 1.2. The use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
2. Where this clause is endorsed on **Protections** covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any tangible weapon or missile.
3. It is understood and agreed that paragraph 1 shall not apply to an otherwise covered physical loss of or physical damage to the property protected caused by a Targeted Cyber Attack. The burden of proving cover under this write-back shall be on the Member.
4. For the purpose of paragraph 3, Targeted Cyber Attack means the use or operation, as a means of inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system where the motive is to inflict harm solely on (or upon) the Member or the Member's property.
5. Property protected by this **Protection** does not include electronic data, unless and to the extent that this is expressly stated otherwise elsewhere in this policy.

7. Stillage Warranty

All **exhibits** covered under this **Protection** must be stored on racks, shelves or stillages no less than thirty (30) centimetres above ground floor level.



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