



QBE Insurance (Australia) Limited

Credit licensees and authorised credit representatives

Civil liability professional indemnity insurance policy

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About this booklet

This document contains important information to help you understand the insurance. It is up to you to choose the cover you need. Any advice in this booklet is general nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if it's right for you.

For more information

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- your financial services provider

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the largest insurers and reinsurers in the world.

Important Information

In this first part of the booklet we explain important information about this Policy including how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

Duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

The General Insurance Code of Practice

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit us to high standards of service
- Promote better, more informed relations between us and you
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you
- Promote continuous improvement of the general insurance industry through education and training.

Privacy

We'll collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so we can do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom we collect personal information, as well as where we store it and the full list of ways we could use it. To get a free copy of it please visit qbe.com.au/privacy or contact QBE Customer Care.

It's up to you to decide whether to give us your personal information, but without it we might not be able to do business with you, including not paying your claim.

Resolving complaints & disputes

At QBE we're committed to providing you with quality products and delivering the highest level of service.

We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

Something not right?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

Step 1 – Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 – Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

Step 3 – Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by AFCA decisions - but you're not. You can contact AFCA directly and they'll advise you if your dispute falls within their Rules.

Disputes not covered by the AFCA Rules

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

Privacy complaints

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE's CCU, AFCA or the OAIC

How to contact QBE Customer Care

Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<ul style="list-style-type: none"> complaints@qbe.com, to make a complaint. privacy@qbe.com, to contact us about privacy or your personal information. customercare@qbe.com, to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, Parramatta NSW 2124

How to contact AFCA

Phone	1800 931 678 (free call)
Email	info@afca.org.au
Online	www.afca.org.au
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

How to contact the OAIC

Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

Our agreement with you

Your Policy is an agreement between you and us, made up of:

- This Policy Wording
- Your Policy Schedule, which sets out the cover you've chosen and any terms specific to you.

The cover under this Policy is provided during the period of insurance, once you've paid us your premium. There are also:

- Conditions and exclusions which apply to specific covers or sections;
- General exclusions, which apply to any claim you make under this Policy;
- General conditions, which set out your responsibilities under this Policy;
- Claims conditions, which set out our rights and your responsibilities when you make a claim; and
- Other terms, which set out how this Policy operates.

Excesses

You must pay any excesses which apply to your claim. The excesses which you have to pay are set out in this Policy Wording or on your Policy Schedule.

How much we'll pay

The most we'll pay for a claim is the sum insured which applies to the cover or section you're claiming under, less any excess.

Your Policy

Your Policy consists of the Policy Wording in this booklet and the Policy Schedule we give you. Please keep them in a safe place for future reference.

Please check the Policy Schedule details to ensure it accurately states what you have insured. Be sure to check that the limits and sums insured are adequate.

The 'general exclusions' and 'general conditions' apply to all sections of this Policy.

Paying your premium

The ways you can pay your premium, and the frequency you can pay it, are described below:

- annually

Annual premium

If you pay your premium annually, and it's not paid by the due date or if your payment is dishonoured, this Policy won't operate and there'll be no cover.

Definitions

The words and terms used throughout this Policy have special meanings set out below.

Where other words and terms are only used in one section of the Policy, we'll describe their special meaning in that section.

Term(s)	Meaning
Aggregate limit of indemnity	The amount shown as the aggregate limit of indemnity in the schedule.
Bodily injury	Physical injury, sickness, disease, death, mental injury, mental anguish, nervous shock or emotional distress of any person.
Claim	<ol style="list-style-type: none"> 1. The receipt by you of any written notice of demand for compensation made by a third party against you; 2. 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 which contains a demand for compensation made by a third party against you; 3. any penalty; 4. in respect to the cover afforded under the 'Official Investigations and enquiries' extension, the notice of any actual or intended official investigation, examination or enquiry.
Costs and expenses	The reasonable legal costs and other expenses incurred by or on behalf of you or by us in the investigation defence or settlement of a claim.
Deductible	The amount shown as the deductible in the schedule. The deductible applies to all amounts payable under this policy including the indemnity provided under insuring clause B.
Documents	Deeds, wills, agreements, maps, plans, books, letters, policies, certificates, forms and documents of any nature whatsoever, whether written, printed or reproduced by any method including computer records and electronic data material but shall not include bearer bonds or coupons, stamps, bank or currency notes or any other negotiable instrument.
Dual controls	<ol style="list-style-type: none"> 1. any cheque payment or electronic money transfer receives prior approval by at least two approved signatories; and 2. the person reconciling your bank statements is not the same person that operates your bank accounts; and

Term(s)	Meaning
	<ol style="list-style-type: none"> 3. if you are required to maintain a trust account by law, it is independently audited on an annual basis.
Employee	Any person employed under a contract of service or apprenticeship during or prior to commencement of the period of insurance.
Family member	<ol style="list-style-type: none"> 1. Any spouse, domestic partner, or companion; 2. any parent, or parent of the spouse, domestic partner or companion; 3. any sibling or child; of an insured person.
Investigation costs and expenses	<p>Legal costs and other expenses incurred by or on behalf of you or by us arising out of any legally compellable attendance by you at any official investigation, examination or enquiry in relation to the conduct of your profession where such investigation, examination or enquiry may lead to a recommendation in respect of civil liability or civil proceedings which would be the subject of a claim covered by this policy.</p> <p>'Investigation costs and expenses' does not include any fine, penalty or order for the payment of monetary compensation.</p>
Limit of indemnity	The limit of our liability under this policy as specified in the schedule.
Named insured	The person, persons, partnership, company, corporation or other entity specified as the Named insured in the Schedule.
Penalty	<p>Any monetary sum payable by you to any regulatory authority.</p> <p>This definition does not apply to the 'Fines and penalties exclusion'</p>
Period of insurance	The period specified in the schedule.
Policy	<ol style="list-style-type: none"> 1. The Schedule, insuring clauses, extensions, conditions, definitions, exclusions and other terms contained herein; 2. any endorsement attaching to and forming part of this policy either at inception or during the period of insurance; and 3. the proposal/application.
Pollutants	<ol style="list-style-type: none"> 1. Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals; or 2. any waste materials including materials recycled, reconditioned or reclaimed; or

Term(s)	Meaning
	3. any other air emission, odour, waste water, oil, oil products, infectious or medical waste or any noise emission.
Premium	The premium specified in the schedule or in any endorsement to the schedule.
Proposal/application	The proposal/application made by you to us containing particulars and statements which, together with other information provided by you, are the basis of this policy and are considered as incorporated herein.
Regulatory Authority	A person or entity appointed, constituted or acting under a delegation pursuant to any legislation for the purposes of enforcement of such legislation.
Schedule (or Policy Schedule)	any schedule of insurance (including an endorsement schedule) to this policy.
Senior Counsel	A barrister in active practice who is entitled to use the post-nominals QC or SC in any one or more superior court in the Commonwealth of Australia or the Dominion of New Zealand.
Subsidiary	<ol style="list-style-type: none"> Any entity which by virtue of any applicable legislation or law is deemed to be a subsidiary of the named insured specified in the schedule; or any entity over which a named insured is in a position to exercise effective direction or control.
Terrorism	An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological or similar purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.
We, our, us	QBE Insurance (Australia) Limited ABN 78 003 191 035
You, your, yours	<ol style="list-style-type: none"> The Named insured; any person who is, during the period of insurance, a principal, partner or director of the named insured but only in respect of work performed while a principal, partner or director of the named insured; any person who is, during the period of insurance, an employee of the named insured but only in respect of work performed while an employee of the named insured; or

Term(s)	Meaning
	4. any former principal, partner, director or employee of the named insured, but only in respect of work performed while a principal, partner, director or employee of the named insured.
Your profession	<ol style="list-style-type: none"> Residential mortgage broking advice and services; or finance broking advice and services that you are authorised to provide: <ol style="list-style-type: none"> under your Australian Credit Licence granted under the National Consumer Credit Protection Act 2009 (Cth), or which you are authorised to provide under the transitional arrangements for new licensees; as an authorised credit representative of a credit licensee.

Section 1: Insuring clauses

Insuring clause A

Civil liability insuring clause

We agree to indemnify you against civil liability for compensation arising from any claim as a result of a breach of professional duty in the conduct of your profession:

1. first made against you during the period of insurance; and
2. notified to us during the period of insurance or where applicable, the extended notification period; and
3. not excluded under section 4 (exclusions).

Insuring clause B

Costs and expenses insuring clause

We agree to pay costs and expenses incurred with our written consent in the defence or settlement of any claim indemnified by this policy.

Insuring clause clarification

For the avoidance of doubt, indemnity is provided in respect of the following in accordance with, and subject to, the terms of this policy, including insuring clauses A and B.

Australian consumer law and similar legislation

We agree to indemnify you against civil liability for compensation arising from any Claim made against you under the Australian Consumer Law or the Competition and Consumer Act 2010 (Cth) or any similar legislation enacted by any states or territories in Australia and New Zealand.

Defamation

We agree to indemnify you against civil liability for compensation arising from any claim made against you for defamation.

Intellectual property

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

Joint venture liability

We agree to indemnify you in respect of any claim made against you for that proportion of any legal liability arising out of any activities in which you are engaged as a joint venturer or as a partner.

Loss of documents

We agree to indemnify you against civil liability for compensation arising from any claim arising from the loss of any documents (including but not limited to your documents) which have been destroyed, damaged, lost or mislaid and, after diligent search or attempts to recover them, cannot be found or recovered.

Outgoing principals and employees

We agree to indemnify former principals, partners, directors and employees of the named insured in respect of civil liability insured by insuring clauses A and B provided that the definition of 'You' includes those persons and only in respect of work performed while a principal, partner, director or employee of the named insured.

Retroactive date

'Unlimited retroactive cover' – if no retroactive date is specified in the Schedule or if the retroactive date is specified in the Schedule as 'unlimited', this policy shall provide indemnity in respect of claim(s) arising from acts, errors or omissions committed or alleged to have been committed irrespective of when such acts, errors or omissions were committed (or were alleged to have been committed).

'Limited retroactive cover' – where a retroactive date is specified in the Schedule, then this policy shall only provide indemnity in respect of claim(s) arising from acts, errors or omissions committed or alleged to have been committed after the retroactive date.

Vicarious liability

We agree to indemnify you in respect of any claim made against you arising from any act, error or omission committed or alleged to have been committed by any third party for whose acts, errors or omissions you are legally liable, provided that such coverage shall not extend to any such third party.

Section 2: Policy extensions

Preamble

We shall provide indemnity to you under this section for no additional premium, provided that:

1. the indemnity provided by each policy extension is subject to the schedule, insuring clauses, conditions, definitions, exclusions, deductible and other terms of this policy (unless otherwise expressly stated herein);
2. the inclusion of any policy extension shall not increase the limit of indemnity.

Continuous cover

We shall, notwithstanding the 'Prior or pending' exclusion and claims made notice, provide indemnity in respect of any claim made against you where such claim arises from a fact or circumstance ('circumstance'):

1. of which you first became aware prior to the period of insurance and which you knew, or ought to have reasonably known, had potential to give rise to a claim; and
2. which should have, but was not, notified to us under an earlier policy under which we were indemnifying you.

Provided that:

3. such indemnity shall not apply to any claim where your failure to notify such claim is fraudulent;
4. we have continuously insured you between the date when the circumstance should have been notified and the date the claim was actually notified.

Court attendance costs

We agree to provide up to \$250 per day for court attendance costs incurred by employees of yours, or \$500 per day for court attendance costs incurred by partners, principals or directors of yours if they are legally compelled to attend a civil proceeding as a witness in a claim covered by this policy.

Credit representatives

The definition of 'You' is extended to include your past, present and future credit representatives, provided that:

1. You have conducted appropriate due diligence regarding such credit representative's suitability for the role, as required by your risk management and compliance procedures; and
2. any new credit representative appointed during the period of insurance:
 - (a) satisfactorily completes an insurance proposal/application form and has no prior claims, facts or circumstances for matters that would be covered under this policy; and
 - (b) agrees to any additional premium, that we require; and
3. coverage for past credit representatives only extends to work performed while they were a credit representative of yours.

Estates and legal representatives

We agree to include in the definition of 'You' the estate, heirs, legal representatives or assigns of yours in the event of the death or incapacity of you in respect of a civil liability that would have been covered by insuring clause A or B if you were alive or had capacity, provided that such estate, heirs, legal representatives or assigns shall observe and be subject to all the terms of this policy insofar as they can apply.

Extended reporting period

In the event that this insurance is not renewed or is cancelled for any reason other than non-payment of premium then you have until such time that you effect another professional indemnity insurance policy or a period of sixty (60) days commencing on the day immediately following expiry of this policy, whichever is the lesser period, during which to notify us of any claim first made against you during the period of insurance, provided that this extension:

1. does not reinstate or increase the limit of Indemnity or extend the period of Insurance; and
2. will only apply to acts, errors or omissions committed or alleged to have been committed by you before the end of the period of insurance or the cancellation date of this policy where this policy has been cancelled.

External dispute resolution

The definition of 'Claim' is extended to include any amount that you are legally liable to pay to a third party in respect of findings or awards by an external dispute resolution scheme approved by the Australian Securities and Investments Commission.

Fines and penalties

We agree to indemnify you against legal liability which would otherwise be excluded by reason of the 'Fines and penalties' exclusion and the 'Pollutants' exclusion, part (2), for:

1. a penalty imposed on you by any regulatory authority arising from any actual or alleged breach of any occupational health and safety or environmental legislation;
2. any compensatory civil penalty; and
3. any costs and expenses incurred with our written consent in the defence or settlement of any penalty indemnified by this extension;

provided that:

4. the breach of professional duty giving rise to the penalty did not arise from gross negligence or an intentional, wilful, reckless, or deliberate act, error, or omission; and
5. our total liability in respect of all claims made under this extension shall not exceed \$100,000.

Fraud and dishonesty

We agree to indemnify you against civil liability for compensation arising from any claim made against you by any client of yours, which would otherwise be excluded by reason of the 'fraud and dishonesty' exclusion, provided that:

1. such indemnity shall not be provided to any insured person who committed or condoned any such act, error or breach; and
2. for claims made against you involving the loss of money, dual controls were in place at the start of the period of insurance.

Loss of documents (not involving a third party claim)

We agree to indemnify you for the loss of any documents (including but not limited to your documents), for which you are legally responsible, that have been unintentionally destroyed, damaged, lost or mislaid in the conduct of your profession and, after diligent search or attempts to recover them, cannot be found or recovered; provided that:

1. the loss is discovered by you during the period of insurance and reported to us during the period of insurance;

2. such indemnity shall be limited to reimbursement of reasonable costs and expenses incurred by you to replace or restore such documents and shall not extend to any consequential or indirect loss; and
3. we shall not be liable under this extension to provide indemnity in respect of:
 - (a) the theft, corruption or erasure of any data by a computer virus or former employee, partner or principal; or
 - (b) damage to documents caused by gradual deterioration, wear and tear, or the action of moths or vermin;
 - (c) documents destroyed, damaged, lost or mislaid outside the territorial limits of Australia or New Zealand.

Our total liability in respect of all claims made under this extension shall not exceed \$250,000.

Newly created or acquired subsidiaries

We agree to include in the definition of 'You' any subsidiary created or acquired by the named insured during the period of insurance for a period of up to sixty (60) days (but never beyond the expiry date of the period of insurance) from the date of such creation, or acquisition, provided that this extension will only apply in respect of claims against the subsidiary arising from an act, error or omission occurring after the date of creation or acquisition of the subsidiary.

Official investigations and enquiries – costs and expenses

We agree to pay investigation costs and expenses, provided that:

1. we shall be entitled, at our discretion, to appoint legal representation to represent you in the investigation, examination or enquiry;
2. the investigation, examination or enquiry, or notice of intended investigation, examination or enquiry is commenced during the period of insurance and is notified to us during the same period of insurance;
3. in the event that a claim for payment of investigation costs and expenses is withdrawn or indemnity under this policy is subsequently withdrawn or denied, we shall cease to advance investigation costs and expenses and you shall refund any investigation costs and expenses advanced by us to the extent that we are satisfied that you were not entitled to such investigation costs and expenses, unless we agree in writing to waive recovery of such investigation costs and expenses; and
4. our total liability in respect of investigation costs and expenses for all claims made under this policy extension shall not exceed \$250,000.

For the purpose of this policy extension, an official investigation, examination or enquiry includes an investigation, examination or enquiry by way of a royal commission or coronial enquiry or conducted by a regulatory authority such as the Australian Securities and Investments Commission or any disciplinary committee of any association or professional body of which you are a member, but does not include any investigation, examination or enquiry conducted by a parliament.

Public relations expenses

Where you retain the services of a public relations consultant for the sole purpose of protecting your reputation that has been brought to question as a direct result of a claim covered by this policy, we agree to pay any reasonable fees, costs, and expenses of such public relations consultant, provided that:

1. you notify us within 28 days of first becoming aware of your reputation being brought into question, and provide full written details outlining the circumstances surrounding the event; and
2. we have given our prior written consent to retain the services of such public relations consultant; and
3. our total liability for all public relations expenses shall not exceed \$50,000.

Run off cover

We agree that in the event that the named insured or any other insured entity ceases to exist or operate or is consolidated with, merged into or acquired by any other entity then the period of insurance shall be extended for 84 months beyond such event, provided that:

1. an additional premium is payable for the period by which the run off cover exceeds the original expiry date of the period of insurance, and must be paid to us within 30 days of the effective date that you or such insured entity ceased to exist or operate or was consolidated with, merged into or acquired by another entity. In the event that payment has not been received within 30 days then this will not invalidate the policy but will entitle us to treat such amount in the same way as your deductible and to deduct it from any payment made by us under this policy; and
2. any coverage under this extension shall only apply in respect of claims arising from an act, error or omission occurring prior to the effective date that you or such insured entity ceased to exist or operate or was consolidated with, merged into or acquired by another entity; and
3. this clause does not increase the limit of indemnity or the aggregate limit of indemnity.

Severability

We agree that where this policy insures more than one party, any conduct whereby such party:

1. failed to comply with the duty of disclosure in terms of the Insurance Contracts Act 1984 (Cth); or
2. made a misrepresentation to us before this contract of insurance was entered into,

shall not prejudice the right of any other insured party to indemnity as may be provided by this policy, provided that:

3. such other insured party shall be entirely innocent of and have no prior knowledge of any such conduct;
4. such other insured party shall as soon as is reasonably practicable upon becoming aware of any such conduct, advise us in writing of all known facts in relation to such conduct; and
5. conduct of the entities or persons referred to in the definition of 'You' parts 1 and 2 are imputed to the named insured.

Section 3: Optional extensions

It is agreed that:

1. the indemnity provided by each optional extension is subject to the schedule, insuring clauses, conditions, definitions, exclusions, deductible and other terms of this policy (unless otherwise expressly stated herein);
2. where an optional extension is not specified as included in the schedule then this policy shall not provide any indemnity in relation to coverage specified under such optional extension.

Fidelity

We agree to provide indemnity to you against loss of money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes belonging to you or for which you are legally liable where any such loss is sustained in consequence of any dishonest or fraudulent act or omission of yours, provided that:

1. such loss is first discovered by you during the period of insurance and is notified in writing to us during the period of insurance;
2. we shall not be liable for any loss sustained in consequence of any act or omission occurring after the date of the discovery of, or the reasonable cause for suspicion of, dishonest or fraudulent conduct on the part of person concerned;
3. we shall not be liable to indemnify the person who committed or condoned any dishonest or fraudulent conduct in consequence of which the loss occurred;
4. you shall bear the burden of proof to substantiate any loss hereunder (including any legal, investigative, accounting or other costs incurred in such process) and we will be under no obligation to provide indemnity to you until such time as we are satisfied that such loss has, in fact, been sustained;
5. dual controls were in place at the start of the period of insurance;
6. our liability for each loss under this optional extension and our aggregate liability for all losses under this optional extension shall not exceed \$100,000;
7. regardless of the number of years this policy shall continue in force and the number of premiums that shall be paid or payable, our liability shall not be cumulative in amounts from year to year or from period to period.

The deductible specified in the policy schedule applies to any one event. Events or series of events caused by acts or omissions of the same person or persons (whether identifiable or not) and events in which such person or persons are involved or implicated shall be treated as one event.

Previous business

We agree to provide indemnity in respect of any claim for compensation made against any person who is or becomes or ceases to be during the period of insurance a principal, partner or director of the named insured for any civil liability arising from a breach of professional duty and incurred on the part of such person in the conduct of the same profession as your profession before that person joined the named insured.

General conditions

There are conditions set out in this General conditions section, in the Claims section and under each particular cover and section. If any of these conditions aren't met, we may refuse a claim, reduce the amount we pay or in some circumstances we may cancel your Policy. When making a claim, you must have met and then continue to comply with the conditions of your Policy. Any person covered by your Policy, or claiming under it, must also comply with these conditions.

If you, or someone covered under your Policy, don't meet these conditions or make a fraudulent claim we may:

- Refuse to pay your claim or reduce what we pay for your claim
- Cancel your Policy.

A claim may be refused

We may refuse to pay or reduce the amount we pay under a claim if you do not comply with the Policy conditions, if you do not comply with your duty of disclosure, or if you make a fraudulent claim.

Alteration to risk

You shall give us written notice as soon as practicable of any material alteration to the risk during the period of insurance including but not limited to:

1. you going into voluntary bankruptcy, receivership, liquidation or any other form of external administration or you failing to pay debts or breaching any other obligation giving rise to the appointment of a receiver or bankruptcy or winding-up proceedings;
2. any material change in the nature of the professional services offered by you.

Where such notice is given or where there is any material alteration to the risk we shall be entitled to cancel this policy in accordance with the Insurance Contracts Act 1984.

Assignment of interest

No change in, or modification of, or assignment of interest under this policy shall be effective except when made by written endorsement to this policy and signed by an authorised employee of ours.

Cancellation

You may cancel this policy at any time by notifying us in writing, and we will allow a pro-rata refund of premium for the unexpired period of insurance, unless a claim or circumstance has been notified to us during the period of insurance in which case no premium will be refunded.

We may cancel this policy in accordance with the relevant provisions of the Insurance Contracts Act 1984, and we will provide a pro-rata refund of premium for the unexpired period of insurance unless a claim or circumstance has been notified to us during the period of insurance in which case no premium will be refunded.

Changing your Policy

Changes to this Policy only become effective when we agree to them and send you a new Policy Schedule detailing the change.

Costs in addition to the limit of liability

The limit of indemnity specified in the schedule is exclusive of costs and expenses and we agree to pay costs and expenses up to a maximum of \$1,000,000 in addition to the limit of indemnity, provided that if a payment is made to dispose of a claim which is in excess of the limit of indemnity available under this policy, our liability for such costs and expenses shall be reduced to the same proportion as the limit of indemnity bears to the amount paid to dispose of the claim.

Deductible

In respect of each claim made against you (or loss incurred by you) the amount of the deductible shall be borne by you at your own risk and we shall only be liable to indemnify you for that part of any claim (or any loss incurred by you) which is in excess of the deductible.

In the event of a claim by you under this policy, you shall, if directed by us, pay to us (or as we direct) the deductible within seven (7) working days. Any delay, failure or refusal by you to pay the deductible will entitle us to deduct such amount from any amounts required to settle any claim or judgement, order, or any other payment to be made by us under this policy. In the event that a failure or refusal to grant access to monies for any deductible results in a failure of a settlement or an increase in costs and expenses, our liability in connection with such claim shall not exceed the amount for which the claim could have been so settled plus the costs and expenses incurred with our written consent up to the date of such failure or refusal, less the deductible.

Where we have elected to pay all or part of the deductible in respect of any claim (or any loss or claim), you shall, within seven (7) working days from the date of such payment, reimburse us for such payment.

In respect of any claim (or any loss or claim) where the amount of the claim (or any loss or claim) is less than the amount of the deductible, you shall bear all costs and expenses associated therewith unless we have agreed to meet such costs and expenses pursuant to insuring clause B.

Any costs and expenses incurred by us to determine whether we have a liability to indemnify you under this policy shall not be subject to the deductible but shall be borne by us.

Multiple claims

All causally connected or interrelated acts, errors or omissions shall jointly constitute a single act, error or omission under this policy.

Where a single act, error, or omission gives rise to more than one claim, all such claims shall jointly constitute one claim under the policy, and only one deductible shall be applicable in respect of such claim. Furthermore, if there is an aggregate limit of indemnity, only one limit of indemnity will be applicable in respect of such claim.

Notices

Any notice we give you will be in writing, and will be effective once it's delivered to you personally or to your last known address (including when it's an electronic one).

It's important for you to tell us of any change of address as soon as possible.

Policy construction and interpretation

The construction, interpretation and meaning of the provisions of this policy shall be determined in accordance with the law of the state, territory or country in which this policy is issued, being the place of issue specified in the schedule, and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the courts of such state, territory or country. If no place of issue is shown in the schedule it is agreed that the place of issue is Sydney, New South Wales, Australia.

The marginal notes and titles of paragraphs in this policy are included for descriptive purposes only and do not form part of this policy for the purpose of its construction or interpretation.

Under this policy, the masculine includes the feminine and the singular includes the plural and vice versa and reference to a person includes a body corporate, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust.

Preventing our right of recovery

If you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this policy, We will not cover you under this policy for that loss, damage or liability.

Streamlined renewal process

We may choose to notify you at least 14 days prior to the expiry of the period of insurance that we are prepared to automatically renew the policy by providing a new period of insurance, without a renewal proposal/application, subject to:

1. payment of a new premium applicable to the new period of insurance;
2. renewal eligibility criteria that will be communicated by us.

If you are paying your premium by instalments we will continue to deduct instalments each month on the day of the month that you nominate as your payment date, but based on the premium applicable to the new period of insurance.

Taxation implications

If you're a business you must tell us if you're registered, or are required to be registered, for GST. When you do this, we need you to give us:

- Your ABN
- The percentage of any input tax credit you will claim, or will be entitled to claim, on your premium.

When we pay a claim, your GST status will determine the amount we pay you. Your claim settlement amount will be adjusted to allow for any ITC entitlement.

Unless we say otherwise, all amounts in your Policy are inclusive of GST. There may be other taxation implications affecting you, depending upon your own circumstances. We recommend you seek professional advice.

General exclusions

These general exclusions apply to all sections of this Policy.

Aircraft motor vehicles and watercraft

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of the ownership, lease, operation or use of any aircraft, motor vehicle or watercraft by you.

Asbestos

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of the manufacturing, mining, processing, treating, handling, installing, using, removing, transporting, selling, distributing, and/or storage of asbestos, asbestos products or any product containing asbestos.

Provided that this exclusion shall not apply to any claim or part of a claim for financial loss arising out of a breach of professional duty where the cause of the breach does not relate to any asbestos exposure.

Assumed duty or obligation

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of any duty or obligation assumed by you by way of contract, warranty, guarantee or indemnity, including a loan origination contract or agreement, to the extent that such liability exceeds the liability you would have incurred in the absence of such contract, warranty, guarantee or indemnity.

Australian Credit Licence Currency

We shall not be liable under this policy to provide indemnity in respect of any claim made against you where at the time of the act, error or omission, your Australian Credit Licence was not current.

For the purpose of this exclusion Australian Credit Licence means a licence granted under the *National Consumer Credit Protection Act 2009* (Cth).

Bodily injury

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of bodily injury, unless arising directly from a breach of professional duty in the conduct of your profession by or on behalf of you.

Claims brought by financial institutions

We shall not be liable under this policy to provide indemnity in respect of any claim made against you brought by or on behalf of a financial institution acting as a lender under the terms of a loan origination contract or agreement, unless:

1. such claim would have been valid under this policy in the absence of such contract or agreement; and
2. you have complied with the financial institution's loan procedures and processes.

Delegated Lending Authority

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of you operating under a delegated lending authority.

Failure to declare commissions

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of a failure to declare commissions or other remuneration earned.

Financial advice

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of the provision of, or failure to provide, financial or investment advice.

Fines and penalties

We shall not be liable under this policy to provide indemnity in respect of any claim made against you for punitive, aggravated, multiple or exemplary damages, or fines or penalties imposed by law including but not limited to, civil penalties.

Fraud and dishonesty

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of:

1. any actual or alleged dishonest, fraudulent, criminal, or malicious act or omission of yours or any third party for whose acts, errors or omissions you are legally liable; or any act or omission of yours or any third party for whose acts, errors or omissions you are legally liable committed, or alleged to have been committed, with a reckless disregard for the consequences thereof; or
2. any wilful breach of any statute, contract or duty by you or any third party for whose acts, errors or omissions you are legally liable.

Inadequate Insurance

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to or in connection with your failure to effect or maintain any or adequate insurance.

Jurisdictional limits

We shall not be liable under this policy to provide indemnity in respect of any claim made against you:

1. brought in a court of law within the territorial limits of the United States of America or the Dominion of Canada or their territories or protectorates; or
2. arising out of the enforcement of any judgement, order or award obtained within, or determined pursuant to, the laws of the United States of America or the Dominion of Canada or their territories or protectorates.
3. which we are prohibited from paying by law in the jurisdiction concerned.

Loan Losses

We shall not be liable under this policy to provide indemnity in respect of any claim made against you for consequential or indirect loss as result of the failure by you to arrange financing for any loan or lease.

Mortgage Related Activities

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in connection with the following activities undertaken by you or on your behalf:

1. mortgage origination; or
2. mortgage management; or
3. margin lending or the provision of margin lending products; or
4. reverse mortgages; or
5. mortgage loan products from a solicitors mortgage funds, any pooled mortgage investment company and/or private funding.

Nuclear

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of any nuclear fuel.

Obligations to employees

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of bodily injury of any employee of yours or damage to or destruction of any property of any employee of yours, including loss of use of property, arising out of, or in the course of, their employment.

Occupier's liability

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of any liability incurred or alleged to have been incurred as a result of occupation, control, management or ownership of any real property by you.

Pollutants

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of:

1. the actual or alleged discharge, release or escape of pollutants arising from the design or specification of equipment or structures which are critical to, and designed with the intention of, restricting the release of pollutants into the environment; or
2. any enforcement action or proceeding in connection with the containment, clean up, removal or treatment of such pollutants;

provided that this exclusion does not apply where there has been a sudden and accidental release of pollutants caused by error in design or specification.

Prior or pending

We shall not be liable under this policy to provide indemnity in respect of any claim made against you:

1. made, threatened or intimated against you prior to the period of insurance; or
2. directly or indirectly based upon, attributable to, or in consequence of any fact or circumstance:
 - (a) of which written notice has been given, or ought reasonably to have been given, under any previous policy; or
 - (b) of which you first became aware prior to the period of insurance, and which such insured knew or ought reasonably to have known had potential to give rise to a claim under this policy.

Related or associated entities

We shall not be liable under this policy to provide indemnity in respect of any claim made against you brought or maintained by or on behalf of:

1. you or any subsidiary or parent entity of the named insured; or
2. any person who, at the time the act, error or omission giving rise to the claim was committed, was a family member of yours unless such person is acting without any prior direct or indirect solicitation or co-operation from you.

Sanctions limitation and exclusion clause

You're not insured under any section of this Policy where a claim payment breaches 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, or any local autonomous sanctions.

Terrorism

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of any actual or alleged act of terrorism or any action taken in controlling, preventing, suppressing or in any way relating to any actual or alleged act of terrorism.

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

Trading debts

We shall not be liable under this policy to provide indemnity in respect of any claim made against you 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.

Valuations

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of the provision, by you of valuation services.

War

We shall not be liable under this policy to provide indemnity in respect of any claim made against you directly or indirectly based upon, attributable to, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition of or damage to property by or under the order of any government, public or local authority.

Claims

Claims mitigation and co-operation

If you, either prior to or during the period of insurance become aware of a situation which could, if not rectified, lead to a claim or increase the quantum of a claim, you shall use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any liability under this policy.

You shall frankly and honestly disclose to us all relevant information and, in addition, shall provide assistance to us as we may require to enable us to investigate and to defend any claim under this policy to enable us to determine our liability under this policy.

Other than costs and expenses incurred by us to enable us to determine our liability under this policy, compliance with this condition shall be at your own cost, unless otherwise agreed in writing by us.

Defence and settlement

We may:

1. instruct you to conduct the defence of the claim if we believe that any claim will not exceed the deductible, in which case you will be responsible for your own costs and expenses and any settlement up to the limit of the deductible. In the event that any costs and expenses or payment made to dispose of the claim exceeds the deductible we will reimburse you all reasonable costs and expenses.
2. take over and conduct, in your name, the defence or settlement of any claim at any time, in which case we will then have sole control of the claim.

You agree:

3. not to settle any claim, incur any costs and expenses or investigation costs and expenses, make any admission, offer or payment or otherwise assume any contractual obligation with respect to any claim or loss without our written consent, provided that we shall not unreasonably withhold such consent;
4. that any information that is received by our external lawyers in the course of investigating, defending or settling any claim made against you can be provided to us and relied upon by us in relation to any issue that may arise regarding our liability to indemnify you;
5. that our external lawyers may provide advice to us on any issue regarding our liability to indemnify you and, whilst doing so, may continue to act in the investigation, defence or settlement of the claim.

Furthermore, in the circumstances described under items 2, 4 or 5 above, you agree:

6. that our communications with our external lawyers are privileged and that you are not entitled to obtain any such communications;
7. to waive any entitlement that you may have for legal professional privilege between you and our external lawyers;
8. if any actual or apparent conflict arises between our interests and your interests, our external lawyers may cease acting on your behalf and may continue to act on our behalf.

Your right to contest

In the event that we recommend a settlement in respect of any claim and you do not agree that such claim should be settled, then you may elect to contest such claim, provided that our liability in connection with such claim shall not exceed the amount for which the claim could have been so settled plus the costs and expenses incurred with our written consent up to the date of such election, less the deductible.

Reporting and notice

You shall give to us written notice as soon as practicable of any claim made against you provided that such written notice is given to us during the period of insurance in which the claim is made.

Notice of any claim shall be given in writing to us, and delivered to:

Professional Liability Claims Department
QBE Insurance (Australia) Ltd
GPO Box 219,
Parramatta NSW 2150

Or by email to piclaims@qbe.com

Senior Counsel clause

We shall not require you to contest any claim unless a senior counsel (to be mutually agreed upon by you and us) shall advise that such claim should be contested.

In formulating such advice, senior counsel shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely costs and expenses and the prospects of you successfully defending the claim.

The cost of such senior counsel's opinion shall be regarded as part of the costs and expenses.

Subrogation

In respect of any claim covered by this policy, and without limiting our rights at law, we shall be subrogated to all your rights of recovery, and you shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of documents necessary to enable us to effectively bring suit in your name.

You shall not, without first obtaining our written consent, do anything or fail to do anything which excludes, limits or prejudices our rights of subrogation.

