

# Chubb Employers Liability Insurance Policy Wording

Name of Insured: Body Corporate as per Orion  
Schedule

Period of Insurance: As per Orion Schedule (both  
dates inclusive)

CHUBB®

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## Important Notices

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### Duty Of Disclosure

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Before entering into a contract of general insurance with Chubb Insurance New Zealand Limited (**Chubb**), each prospective **Insured** has a duty to disclose to **Chubb** every matter that is material to Chubb's decision whether to accept the risk of the insurance and, if so, on what terms.

It has the same duty to disclose those matters to **Chubb** before renewal, extension, variation or reinstatement of a contract of general insurance with **Chubb**.

An **Insured's** duty however does not require disclosure of any matter:

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

It is important that each prospective **Insured** understands all information provided in support of the application for insurance and that it is correct, as each prospective **Insured** will be bound by the answers and by the information it has provided. If a prospective **Insured** does not understand any part of this notice, it should obtain independent advice.

As a prospective **Insured**, the duty of disclosure continues after the application for insurance has been completed up until the time the contract of insurance is entered into.

### *Consequences of Non-Disclosure*

If a prospective **Insured** fails to comply with its duty of disclosure, **Chubb** may be entitled, without prejudice to its other rights, to reduce its liability under the contract in respect of a claim or may cancel the contract. Chubb may also have the option of avoiding the contract from its beginning.

### Fair Insurance Code

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We are a member of the Insurance Council of New Zealand (**ICNZ**) and a signatory to ICNZ's Fair Insurance Code (**the Code**). The objectives of the Code are to establish high standards of service, promote confidence in the general insurance industry and improve relationships between insurers and their customers. Further information about the Code is available at [www.icnz.org.nz](http://www.icnz.org.nz) and on request.

### Financial Strength Rating

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At the time of print, Chubb Insurance New Zealand Limited has an "AA-" insurer financial strength rating given by Standard & Poor's (Australia) Pty Limited. The rating scale is:

## Financial Strength Rating

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At the time of print, Chubb Insurance New Zealand Limited has an “AA-” insurer financial strength rating given by S&P Global Rating. The rating scale is:

AAA	Extremely Strong	BBB	Good	CCC	Very Weak	SD or D – selective default or default
AA	Very Strong	BB	Marginal	CC	Extremely Weak	R - Regulatory Action
A	Strong	B	Weak			NR – Not Rated

The rating from ‘AA’ to ‘CCC’ may be modified by the addition of a plus (+) or minus (-) sign to show relative standings within the major rating categories. A full description of the rating scale is available on the Standard & Poor's website.

## Policy Schedule

No.	Title	Description	
<b>Item 1.</b>	<b>Name Insured</b>	Body Corporate as per Orion Schedule	
<b>Item 2.</b>	<b>Address</b>	As per Orion Schedule	
<b>Item 3.</b>	<b>The Business</b>	Property Owner	
<b>Item 4.</b>	<b>Health &amp; safety in employment act extension purchased:</b>	N/A	
<b>Item 5.</b>	<b>Policy Period</b>	Start:	As per Orion Schedule
		Expiry:	As per Orion Schedule
		At 4.00pm	
<b>Item 6.</b>	<b>Retroactive Date</b>	As per Orion Schedule	
<b>Item 7.</b>	<b>Policy Limit</b>	\$1,000,000 any one Allegation/Circumstance and in the aggregate for the Policy Period.	
<b>Item 8.</b>	<b>Deductible</b>	\$1000 each and every Allegation/Circumstance, costs inclusive	
<b>Item 9.</b>	<b>Policy Number</b>	As per Orion Schedule	

## 1. Insuring Agreement

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**Chubb** Insurance New Zealand Limited (**'Chubb'**) agrees to:

- indemnify the **Insured** for **Damages** which the **Insured** is legally obliged to pay, and any **Defence Costs**; and
- extend that indemnity to cover any **Sentence** for **Reparation** which the **Insured** is legally obliged to pay and any **Defence Costs** (**'the Extension'**) if the **Insured** purchases the **Extension**, up to the **Policy Limit** as a result of **Allegation(s)** made or **Circumstances** notified to **Chubb** in accordance with this policy within the **Policy Period** or any **Discovery Period** or 14 days after expiry of either **Period**, which **Allegation** arises directly out of an **Event**.

This insurance is given only:

- in consideration of the **Insured** paying the premium to **Chubb**; and
- in reliance upon the written proposal and any other information provided by the **Insured** (all of which forms the basis of this **Policy**); and
- on the terms set out in this **Policy**.

## 2. Definitions

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The following words have the following meanings in this **Policy** unless the context otherwise requires:

### 2.1 **The Act:**

The Health and Safety in Employment Act 1992 (HASIE), and any regulations or other subordinate legislation made under that **Act**, where the **Insured** has purchased the extension as stated in the **Schedule**.

### 2.2 **Allegation:**

Each separate intimation, threat or allegation that the **Insured**:

breached or may have breached or committed an offence under the **Act** including:

- a) a criminal prosecution
- b) an inquest
- c) an inquiry under s27 of the Act; or

is responsible for **Personal Injury** arising out of an **Event**.

### 2.3 **Business:**

The business of the **Insured** as stated in the **Policy Schedule**.

### 2.4 **Circumstance:**

Where the **Insured** knows of an **Event** which might give rise to an **Allegation**.

### 2.5 **Claim:**

A claim for indemnity under this **Policy** notified to **Chubb** in accordance with this **Policy**.

### 2.6 **Damages:**

An award of damages which the **Insured** is legally liable to pay (including the claimant's costs and expenses).

### 2.7 **Deductible:**

The amount stated in the **Schedule** which must be paid by the **Insured** before indemnity is available under this **Policy**.

### 2.8 **Defence Costs:**

Legal costs and necessary expenses which are incurred with **Chubb's** written consent in order to investigate or defend any **Allegation** arising out of an **Event**.

## 2.9 **Discovery Period:**

An additional 12 months from the end of the **Policy Period** which shall extend the period within which the **Insured** can make a **Claim** for an **Allegation** arising out of an **Event** which happens in its entirety before the **Policy Period** expires if:

- a) **Chubb** decides not to offer renewal at the end of the **Policy Period**; and
- b) the **Insured** elects within 14 days after the end of the **Policy Period** to purchase this **Discovery Period** insurance; and
- c) the **Insured** pays an additional premium of 50% of the premium.

## 2.10 **Employee:**

Any person directly employed by the **Insured** in respect of whose remuneration the Insured deducts PAYE tax or any person who is an appointed director of the **Insured**.

## 2.11 **Event:**

An unintentional and unexpected result of an act or omission which has occurred in the course of and arises directly from the **Business** and has occurred in its entirety after the retroactive date stated in the **Schedule** which results in:

**Personal Injury** to an **Employee**; and/or

An **Allegation** under the **Act**.

## 2.12 **Extension:**

The additional cover provided for an **Allegation** under the **Act** as set out in the Insuring Agreement on Page 1 of this **Policy**.

## 2.13 **GST:**

Any liability the **Insured** may have under s5(13) Goods & Services Tax Act 1985.

## 2.14 **Insured:**

Any one or more of the **Named Insured** and any subsidiary companies declared in the proposal, and the **Employees** of any of them.

## 2.15 **Named Insured:**

The company which is first named in the **Schedule**.

## 2.16 **Personal Injury:**

Bodily injury, sickness, disease, death, disability, shock, fright, mental anguish or mental injury.

## 2.17 **Policy Limit:**

**Chubb's** aggregate liability in accordance with condition 5.

## 2.18 **Policy Period:**

The period stated in the **Schedule**.



## 2.19 Sentence For Reparation:

A sentence of reparation made under the Sentencing Act 2002 arising from a breach of the **Act**. The **Sentence** must result from a prosecution brought by a statutory authority or enforcement agency under the **Act**.

## 3. Exclusions (What is not covered)

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### **Chubb will not indemnify the Insured in respect of any Claim for any Sentence for reparation, Damages or Defence Costs:**

1. arising out of **Personal Injury** for which cover to any extent is provided by the Accident Rehabilitation and Compensation Insurance Act 1992 ('ACC') or would have been provided by ACC but for the **Insured** being an exempt employer under ACC, except for the cover which is provided if the **Insured** has purchased the **Extension** as stated in the **Schedule**.
2. arising out of any deliberate or reckless breach of, disregard for, or failure to comply with, the provisions of, or any notice given under, the **Act**.
3. in connection with appealing, or otherwise challenging, an infringement notice given under the **Act**.
4. or the costs of complying with or remedying any breach of the **Act**.
5. arising out of an **Event** which is directly or indirectly brought about by, or contributed to by, any dishonest or fraudulent or malicious act or omission by the **Insured**.
6. arising out of any **Allegation** made against the **Insured** for acts or omissions which do not directly arise out of the **Business**.
7. arising out of any **Allegation** which was or ought to have been notified under any previous policy of insurance held by the **Insured** or in respect of which the **Insured** received any intimation or notice before the **Policy Period**.
8. arising out of an **Event** which takes place outside the territory of New Zealand.
9. arising out of any judgment:
  - a) entered in a court outside New Zealand or by an arbitrator outside New Zealand; or
  - b) which does not apply the law of New Zealand.
10. arising out of any **Allegation** directly or indirectly caused by or contributed to by or arising from war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, monetary or usurped power or confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any government or public or local authority.
11. for any **Allegation** directly or indirectly caused by or contributed to by or arising from:
  - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - b) the radioactive toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of an explosive nuclear assembly.
12. arising out of the engagement by the **Insured** of any contractor to dispose of or handle materials unless the **Insured** has taken reasonable steps to ensure that the materials will be disposed of or handled in a lawful manner.

13. arising out of asbestos and/or related diseases whether directly or indirectly, in whole or in part.
14. arising out of any prosecution other than under the **Act**.
15. for a liability assumed in a contract unless that liability would be implied by law.
16. arising out of any termination of employment or unlawful discrimination against an employee.
17. Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes death, injury, illness, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

For the purpose of this exclusion Act of Terrorism means an act, including but not limited to the use of force or violence and/or 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) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion also excludes death, injury, illness, 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 any Act of Terrorism.

18. to the extent that trade or economic sanctions or other laws or regulations prohibit Chubb from providing insurance, including, but not limited to, the payment of Claims.

#### 4. Conditions

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1. As a condition precedent to their right to be indemnified, the **Insured** must give **Chubb** written notice of every **Allegation**, and of each **Circumstance** which might give rise to a **Allegation**. This notice must be given as soon as practicable after the **Insured** becomes aware of the **Allegation** or **Circumstance**. **Chubb** will not accept a **Claim**, notice of which is first given more than 14 days:
  - a) after the end of the **Policy Period**; or
  - b) if applicable, after the end of the **Discovery Period**.
2. If the **Insured** makes a **Claim** under this **Policy** in accordance with condition 1, then any subsequent **Allegation** arising out of the **Event** which gave rise to the **Claim** will be treated as having been notified under this **Policy**.
3. In order to obtain indemnity under this **Policy**, the **Insured** must:
  - a) at its own expense, use due diligence and do and assist in doing all things which are reasonably practicable to avoid or reduce any **Claim**.
  - b) give all necessary information and assistance to **Chubb** which will enable **Chubb** to defend any **Allegation**.
  - c) take all reasonable precautions to comply with the **Act**.
  - d) not make any admission, incur any **Defence Costs** or make any payments in relation to any **Allegation** without **Chubb's** written consent.
  - e) not assign this **Policy** without **Chubb's** written consent.

4. Where the **Insured's** breach of or non-compliance with condition 3 of this **Policy** results in prejudice to the handling and/or settlement of any **Allegation** which in all other respects qualifies to be indemnified under this **Policy**, then the indemnity afforded by this **Policy** in respect of such **Allegation** shall be reduced to such sum as would have been payable by **Chubb** in the absence of that prejudice.
5. **Chubb's** total aggregate liability:
  - a) for all **Claims** made during the **Policy Period** (including any **Discovery Period**) shall not exceed the **Policy Limit** stated in the **Schedule**.
  - b) for all **Claims** made as a result of an **Allegation** under HASIE made during the **Policy Period** (including any **Discovery Period**) shall not exceed the sublimit stated in the **Schedule**.
6. **Chubb** is entitled to appoint a solicitor to act for the **Insured**.
7. If the available **Policy Limit** is inadequate to pay all **Claims** made in one **Policy Period**, **Chubb** will pay the types of loss in the following order:
  - a) **Damages** imposed on the **Named Insured**.
  - b) **Defence Costs** of the **Named Insured**
  - c) **Damages** imposed on any subsidiary companies.
  - d) **Defence Costs** of any subsidiary companies.
  - e) **Damages** imposed on any **Employees**.
  - f) **Defence Costs** for **Employees**.
8. The laws of New Zealand apply to this **Policy**. The New Zealand courts have exclusive jurisdiction over any legal proceedings brought in relation to the **Policy**. **Chubb** and the **Insured** agree to use their best endeavours to resolve any dispute under this policy before resorting to legal proceedings.
9. If **Chubb** disagrees with the **Insured** whether any **Allegation** should be admitted or contested, a senior counsel shall be appointed by **Chubb** to advise whether the **Allegation** should be contested and on the overall cost of contesting the **Allegation**. In giving advice, the senior counsel must take into consideration the likely **Sentence** for reparation and **Defence Costs** and whether there is a reasonable prospect of successfully defending the **Allegation**. The senior counsel's fee will be a **Defence Cost** for **Policy** purposes if the senior counsel agrees with the **Insured**. The **Insured** is liable for the senior counsel's fee if the senior counsel agrees with **Chubb**. If the senior counsel advises that the **Allegation** should be admitted, and the **Insured** elects to contest the **Allegation**, then **Chubb's** liability shall not exceed the overall cost as set out in the senior counsel's advice (including the likely **Sentence** for reparation) plus **Defence Costs** incurred to the date of that advice.
10. If, when a **Claim** is made, there is any other collectible insurance covering all or part of the same **Claim**, this **Policy** will apply only to the amount of any **Claim** which exceeds that recoverable under the other insurance.
11. If the **Insured** is liable to pay GST on receiving any indemnity payment under this **Policy**, **Chubb** will indemnify the **Insured** for the cost of GST in addition to the **Policy Limit**.

12. This **Policy** will end:
- a) at the end of the **Policy Period**; or
  - b) if written notice of cancellation is given by either **Chubb** or the **Insured**. **Chubb** must give at least 30 days notice of their intention to cancel this **Policy**. The notice runs from 4:00 pm on the date on which the notice is given. If this **Policy** is cancelled, **Chubb** will refund the premium relating to the balance of the **Policy Period**; or
  - c) if any **Claim** under this Policy is fraudulent in any respect, or if any false declaration is made or used in support of any **Claim**, or if any fraudulent means or devices are used by the **Insured** or its agents to obtain indemnity under this **Policy** in respect of any **Claim**; or
  - d) if the amounts which **Chubb** has paid are in total equivalent to or exceed the **Policy Limit**.
13. For the purpose of condition 12(c) only, each of the **Insured** (if more than one) will be treated as having been issued with a separate policy. Nothing in this clause will increase, alter or affect the **Policy Limit**.
14. **Chubb** shall have subrogation rights in respect of all claims which the **Insured** may have against any person(s) responsible for any **Personal Injury** or breach of the **Act**.
15. Any money recovered by **Chubb's** efforts is to be applied:
- a) first to reimburse the **Insured** for any uninsured losses (including the **Deductible**); and
  - b) secondly to reimburse **Chubb** for payments made to the **Insured** and any legal costs **Chubb** has incurred.

## Privacy Statement

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Chubb Insurance New Zealand Limited (“**Chubb**”) is committed to protecting your privacy. Chubb collects, uses and retains your personal information in accordance with the principles in the *Privacy Act 1993*.

### Personal Information Handling Practices

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#### *Collection, Use and Disclosure*

Chubb collects your personal information (which may include health information) when you are applying for, changing or renewing an insurance policy with us or when we are processing a claim, complaint or dispute. We collect the information to assess your application for insurance, to provide you or your organisation with competitive insurance products and services and administer them, to handle any claim, complaint or dispute that may be made under a policy. If you do not provide us with this information, we may not be able to provide you or your organisation with insurance or to respond to any claim, complaint or dispute.

We may disclose the information we collect to third parties, including contractors and contracted service providers engaged by us to deliver our services or carry out certain business activities on our behalf (such as actuaries, loss adjusters, claims investigators, claims handlers, professional advisers including doctors and other medical service providers, credit reference bureaus and call centres), other companies in the Chubb group, insurance and reinsurance intermediaries, other insurers, our reinsurers, and government agencies (where we are required to by law). These third parties may be located outside New Zealand.

#### *Your Choices*

In dealing with us, you agree to us using and disclosing your personal information as set out above. This consent remains valid unless you alter or revoke it by giving written notice to our Privacy Officer.

From time to time, we may use your personal information to send you offers or information regarding our products that may be of interest to you. If you do not wish to receive such information, please contact our Privacy Officer using the contact details provided below.

#### *How to Contact Us*

If you would like to access a copy of your personal information, or to correct or update your personal information, or if you have a complaint or want more information about how Chubb is managing your personal information, please contact the Privacy Officer by posting correspondence to Chubb Insurance New Zealand Limited, PO Box 734, Auckland; telephoning: +64 (9) 3771459; or emailing [Privacy.NZ@chubb.com](mailto:Privacy.NZ@chubb.com)

## About Chubb in New Zealand

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Chubb is the world's largest publicly traded property and casualty insurance company. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. The company is distinguished by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength, underwriting excellence, superior claims handling expertise and local operations globally. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index. Chubb maintains executive offices in Zurich, New York, London and other locations, and employs approximately 31,000 people worldwide.

Chubb's operation in New Zealand (Chubb Insurance New Zealand Limited) offers corporate Property & Casualty, Group Personal Accident and corporate Travel Insurance products through brokers. It leverages global expertise and local acumen to tailor solutions to mitigate risks for clients ranging from large multinational companies to local corporates.

More information can be found at [www.chubb.com/nz](http://www.chubb.com/nz).

**Chubb. Insured.<sup>SM</sup>**

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