Chubb Office Bearers Liability Insurance Policy Wording

Body Corporate:	Body Corporate as per Orion Schedule
Period:	As per Orion Schedule (both dates inclusive)

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Endorsements

Endorsement Number: 01

Communicable Disease Exclusion – Blanket

By way of endorsement to the Policy, the parties agree as follows (subject otherwise to all other terms, conditions, limits of liability and exclusions of the Policy):

This Policy does not apply to any **Personal Injury**, **Property Damage** or **Supplementary Payments** (or charges, expenses and legal costs) which is directly or indirectly caused by, arising out of or in any way connected with **Communicable Disease**

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a **Communicable Disease**
b. Testing for a **Communicable Disease**
c. Failure to prevent the spread of a **Communicable Disease** or
d. Failure to report a" **Communicable Disease** to authorities.

For the purpose of this Exclusion, the following additional definition applies;

Communicable Disease means
any infectious disease, including any virus, bacteria, microorganism, or pathogen that actually or allegedly induces or are capable of inducing physical distress, illness or disease.

In all other respects this Policy remains unaltered.

Important Information

In this document "We", "Our" and "Us" means Chubb Insurance New Zealand Limited (Chubb). "You" and "Your" refers to Our customers and prospective customers as well as those who use Our website.

Duty of Disclosure

What is your duty of disclosure

When You apply for our insurance, We ask you questions. You are responsible for providing Us with complete, honest, and accurate responses, including any additional relevant information that may affect Our decision to provide coverage or determine the price of Your premium. This is referred to as Your duty of disclosure. Your duty also applies when You answer on behalf of another insured.

When you need to disclose

Before entering into a contract of insurance with Us, each prospective insured has a duty to tell Us information that is relevant to Our decision whether to accept the insurance and, if so, on what terms. This includes relevant information about You, any other people, and all property and risks insured under this contract. Information may be relevant even if we do not specifically ask you a question about it.

You have the same duty to disclose relevant information to Us before renewal, extension, variation, or reinstatement of a contract of insurance with Us. You should also provide all relevant information when You make a claim or if circumstances change during the term of the contract of insurance.

Each prospective insured must understand all information provided in support of the application for insurance and that it is correct. Each insured will be bound by the answers and information provided.

Your 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 not disclosing

If You fail to meet Your duty of disclosure, We can reduce our liability under the contract in respect of a claim or refuse to pay the entire claim. We may also have the right to avoid the contract from its beginning. This means the contract will be treated as if it never existed and no claims will be payable

Financial Strength Rating

At the time of print, Chubb has an "AA-" insurer financial strength rating given by S&P Global Ratings. 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 S&P Global Ratings website.

Our rating is reviewed annually and may change from time to time, so please refer to Our website for Our latest financial strength rating.

Fair Insurance Code

We are a member of the Insurance Council of New Zealand (**ICNZ**) and a signatory to ICNZ's Fair Insurance Code (**the Code**). The Code and information about the Code is available at www.icnz.org.nz and on request.

Privacy Statement

This statement is a summary of Our Privacy Policy and provides an overview of how We collect, hold, store, use, disclose, retain, give access to, and correct Your personal information. Our Privacy Policy may change from time to time, the updated Privacy Policy will be posted on Our website. Please review Our Privacy Policy for more information about how We manage Your personal information. You can contact the Privacy Officer about Your personal information at:

Privacy Officer
Chubb Insurance New Zealand Limited
PO Box 734
Auckland
+64 (9) 3771459
NZlegal.privacy@chubb.com

How We handle Your personal information

Chubb is committed to protecting Your privacy in accordance with the requirements of the *Privacy Act 2020*, as amended or replaced from time to time.

How *We collect Your personal information*

Chubb collects Your personal information (which may include health information) from You when You interact with Us. You interact with us when You are applying for, changing, or renewing an insurance policy or when We are processing a claim, complaint, or dispute. Chubb may also (and You authorise Chubb to) collect Your personal information from other parties such as brokers or service providers, as detailed in Our Privacy Policy.

Why We collect Your personal information

We collect and hold Your personal information for us to offer products and services to You. This includes offers to assess applications for insurance, to provide and administer insurance products and services, and to handle any claim, complaint, or dispute under a policy.

If You do not provide Us with Your personal information, We may not be able to provide You or Your organisation with insurance. We may not be able to respond to any claim, complaint or dispute, or offer other products and services to You or Your organisation without Your personal information.

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.

Who else might receive Your personal information

We may disclose Your personal information to third parties, including:

- contractors and service providers engaged by Us to deliver Our services or carry out certain business activities on Our behalf. For example, actuaries, loss adjusters, claims investigators, claims handlers, professional advisers including lawyers, doctors and other medical service providers, credit reference bureaus, call centers, and marketing agencies.
- intermediaries and service providers engaged by You, such as current or previous brokers, travel agencies and airlines.
- other companies in the Chubb group.
- the policyholder if the insured person is not the policyholder.

- insurance and reinsurance intermediaries, other insurers, Our reinsurers and other parties involved in the policy or claim, such as Natural Hazards Commission Toka Tū Ake.
- government agencies or organisations when We are required to by law or otherwise.

If these third parties are located outside New Zealand, We take steps to ensure Your personal information remains adequately protected.

You can access and correct Your personal information
If You would like to correct, update, or access a copy of Your personal information, or withdraw Your consent to receiving offers of products or services from Us or Our associated organisations, then please contact the Privacy Officer at the contact details noted above.

How to make a complaint

Please contact Our Complaints and Customer Resolution Service (CCR Service) if:

- You are not satisfied with Our organisation, services, or response to Your enquiry.
- You have any concerns about Our treatment of Your personal information.
- You believe there has been a breach of Our Privacy Policy.

Complaints and Customer Resolution Service (CCR Service)
Chubb Insurance New Zealand Limited
PO Box 734
Shortland Street Auckland 1140
+64 9 377 1459
Complaints.NZ@chubb.com

You also have a right to complain directly to the New Zealand Privacy Commissioner by telephoning 0800 803 909, emailing enquiries@privacy.org.nz or using the online form available on the Office of the Privacy Commissioner's website at www.privacy.org.nz..

Complaints and Dispute Resolution

If You are not satisfied with any aspect of a Chubb or Combined Insurance product or service and You wish to make a complaint, please contact:

Complaints and Customer Resolution Service (CCR Service)
Chubb Insurance New Zealand Limited
PO Box 734
Shortland Street Auckland 1140
+64 9 377 1459
Complaints.NZ@chubb.com

We take Your concerns very seriously. Our complaints and dispute resolution procedure has two stages outlined below. Further details regarding Our complaint handling and dispute resolution procedures are available from Our website and on request.

Stage 1 – We handle Your complaint internally

When You contact the CCR Service, please provide Us with Your claim or policy number (if applicable) and as much information You can about the reason for Your complaint. Our CCR Service team members are independent of the original decision maker. They are committed to reviewing complaints objectively, fairly and efficiently.

We will acknowledge receipt of Your complaint within five (5) business days of receiving it from You. We will provide You with the name and relevant contact details of the CCR Service team member assigned to You and Your complaint. We will investigate Your complaint and if We have all the information required, We will provide you our decision within ten (10) business days. If We require more time or further information, We will request it from you. We will update You at least every twenty (20) business days until

We finalise our response.

When We provide Our complaint decision to You, or if We cannot resolve your complaint within two (2) months of you lodging it, We will send You a letter confirming your complaint is deadlocked. The 'deadlock' letter explains Our reasons for not reaching a resolution. In Stage 2 You can seek external review if unresolved or you are dissatisfied with the determination.

Stage 2 – You can seek external review

We are a member of a Financial Ombudsman Service operated by Financial Services Complaints Limited (FSCL). This is an external financial ombudsman service approved by the Minister of Consumer Affairs. FSCL provides a free to customers, independent dispute resolution service.

If You are not satisfied with Our complaint determination or We are unable to resolve Your complaint within two (2) months, You may contact FSCL. You must refer Your complaint to FSCL within three (3) months of the date of the 'deadlock' letter (or any longer period permitted under FSCL's Terms of Reference).

Financial Services Complaints Limited (FSCL)
www.fscl.org.nz
PO Box 5967
Wellington 6140
0800 347 257
+64 4 472 3725
complaints@fscl.org.nz

Policy Wording

In consideration of the payment of the Premium and in reliance upon all statements made and information furnished to Chubb Insurance New Zealand Limited(Chubb), including statements made in the proposal and materials accompanying it, and subject to all terms, conditions, exclusions and limitations of the Policy, Chubb agrees with the Insured(s) as follows:

1 Insuring Clauses

If "NOT COVERED" is shown in Item 5 of the Schedule to this Policy in relation to any Insuring Clause, such Insuring Clause and any reference to it within this Policy is deemed to be deleted and such coverage is not afforded.

1.1 **Officers and Body Corporate Reimbursement**
Chubb shall pay on behalf of:

a) the Insured Person(s) all Loss of the Insured Person(s) which they are legally obligated to pay; and/or
b) the Body Corporate all Loss which the Body Corporate is legally required or permitted to pay the Insured Person(s) as advancements or indemnity under applicable legislation or agreements,

for any Claim for any Wrongful Act first made against the Insured Person(s) and first notified to Chubb, during the Policy Period.

1.2 **Entity Liability**
Chubb shall pay on behalf of the Body Corporate all Loss which it is legally obligated to pay for any Claim for any Wrongful Act both first made against the Body Corporate and notified to Chubb during the Policy Period.

2. Definitions

2.1 **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.

2.2 **Activities**
means the activities of the Insured as stated in Item 2 of the Schedule to this Policy.

2.3 **Body Corporate**
means the entity shown in Item 1 of the Schedule to this Policy.

2.4 **Circumstance**
means where the Insured knows of an Event which might give rise to a Claim.

2.5 **Chubb** means Chubb Insurance New Zealand Limited.

2.6 **Claim** means:
any notice received by the Body Corporate, or by the Insured Person(s) alleged to have committed a Wrongful Act, of the intention of a person or entity to hold the Insured Person(s) and/or the Body Corporate responsible for the results of any Wrongful Act, including any demand received by the Insured Person(s) and/or the Body Corporate for money or services naming the Insured Person(s) and/or the Body Corporate as defendant(s), or the institution of legal, arbitration or administrative proceedings against the Insured Person(s) and/or the Body Corporate.

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

2.8 **Deductible**
means the amount shown in Item 5 of the Schedule to this Policy.

2.9 **Defence Costs**
means reasonable legal fees, costs and expenses incurred by or on behalf of the Insured(s) with the written consent of Chubb, such consent not to be unreasonably withheld (but shall not include wages, salaries or other remuneration of the Insured(s) or of any Employee), which are necessary to investigate, settle, defend or appeal a Claim covered by this Policy.

2.10 **Discovery Period**
means the period of 12 months referred to in Extension 3.6 which shall run from the date this Policy expires.

2.11 **Document**
means any document, computer tape, disc or other magnetic or electronic media entrusted to the Body Corporate in the course of its Activities, but excludes:

a) any bearer bond, coupon, stamp, bank note, currency note or negotiable instrument; or
b) any document, computer tape, disc or other magnetic or electronic media owned by the Insured or any related person or related entity.

2.12 **Employee**
means any natural person who is employed by the Body Corporate in the ordinary course of its Activities and is paid by the Body Corporate by way of salary or wages or who is a paid or unpaid volunteer helper but who, in both circumstances perform their duties at the direction and control of the Body Corporate.

2.13 **GST**
means any liability the Insured may have under s5(13) of the *Goods & Services Tax Act 1985*.

2.14 **Insured(s)**
means the Body Corporate and/or the Insured Person(s).

2.15 **Insured Person(s)**
means all natural persons who were, now are or shall be a director, Officer or Office Bearer, secretary, committee member or Employee of the Body Corporate or any other person acting on behalf of the Body Corporate at the direction of an Officer or Office Bearer or committee of the Body Corporate.

The term Insured Person(s) shall not include a receiver and manager, a receiver who is also not a manager, a liquidator, a trustee/administrator administering a scheme of arrangement, an official manager, an external auditor, a trustee or administrator of a superannuation scheme.

2.16 **Investigation**
means any official investigation, inquiry, public examination, commission or prosecution, criminal or otherwise;

2.17 **Loss**
means any Damages, judgments, settlements and Defence Costs, other than Defence Costs as detailed in extension 3.10. Loss shall not include punitive or exemplary damages, reparation, or fines or penalties imposed by law.

2.18 **Loss of Documents**
means the cost of replacing or restoring any Document which has been lost (and cannot be found after diligent search), damaged or destroyed except where that loss, damage or destruction relates to any computer tape, disk or other magnetic or electronic media or any data or programme contained in or on it and occurs:

a) as a result of exposure to any electronic or magnetic field, atmospheric conditions, heat or cold; or
b) when in use by, or when mounted in, any computer or electronic device unless the loss or damage results from its malfunction.

2.19 **Officer and Office Bearer**
means any natural person who is an Employee:

a) who is concerned in, or takes part in, the operation of the Body Corporate whether or not that person holds a position of responsibility and regardless of the name given to that position; or
b) who makes or participates in making, decisions that affect the Activities of the Body Corporate; or
c) who has the capacity to affect significantly the Body Corporate's financial standing.

2.20 **Outside Directorship**
means the position of director or Officer held by an Insured Person in an Outside Organisation at the request of the Body Corporate.

2.21 **Outside Organisation**
means any company or organisation, other than the Body Corporate, in which the position of director or Officer is held by an Insured Person.

2.22 **Personal Injury**
means bodily injury, sickness, disease, death, disability, shock, fright, mental anguish or mental injury.

2.23 **Policy means:**

a) the Insuring Clauses, the Definitions, the Extensions, the Exclusions, the Conditions and all other terms contained herein;
b) the Proposal and any attachments thereto;
c) any Endorsement attaching to and forming part of this Policy either at commencement of the Policy Period or during the Policy Period.

2.24 **Policy Period**
means the period of time shown in Item 3 of the Schedule to this Policy.

2.25 **Premises**
means that portion of the interior building occupied by the Body Corporate in conducting its Activities.

2.26 **Premium**
means the Premium shown in Item 8 of the Schedule to this Policy and any additional premium shown in any Endorsement attaching to and forming part of this Policy.

2.27 **Retroactive Date**
means the date set out in Item 6 of the Schedule to this Policy for each respective Insuring Clause.

2.28 **Wrongful Act means:**
any actual or alleged act, error, omission, breach of duty, breach of trust, breach of authority, misstatement or misleading statement by the Insured Person(s) while acting in their capacity as Insured Person(s) performing the Activities;

3. Extensions

The following Extensions, which are automatically included in this Policy, are subject to all of the terms, conditions, exclusions and limitations of this Policy. These Extensions do not increase the limit of liability unless Chubb otherwise agrees in writing.

3.1 **Liability of an Insured Person's Spouse**
Chubb shall also pay on behalf of the Insured(s) all Loss arising from any Claim both first made against the lawful spouse of any Insured Person and notified to Chubb during the Policy Period, provided that

the Claim arises directly from a Claim made against the Insured Person which is covered under the Policy and is made solely by reason of the spouse's:

a) status as the lawful spouse of the Insured Person; and
b) ownership interest in any real or personal property against which the claimant seeks recovery for an alleged Wrongful Act of the Insured Person.

3.2 **Liability of an Insured Person's Estate, Heir or Legal Representative**
Chubb shall also pay on behalf of the Insured(s) all Loss arising from any Claim both first made against the estates, heirs, legal representatives or assigns of any deceased, incompetent, insolvent or bankrupt Insured Person and notified to Chubb during the Policy Period, PROVIDED THAT the Claim:

a) arises directly from a Claim made against the Insured Person which is covered under the Policy; and
b) is made solely by reason of their status as estates, heirs, legal representatives or assigns of the deceased, incompetent, insolvent or bankrupt Insured Person.

3.3 **Advancement of Defence Costs**
Chubb shall also pay Defence Costs on behalf of the Insured(s) on an on-going basis prior to the final payment or settlement of any Claim PROVIDED THAT:

a) such Defence Costs are incurred with the written consent of Chubb, such consent not to be unreasonably withheld;
b) such advance payments by Chubb shall be repaid to Chubb in the event that the Insured(s) shall not be entitled to payment of any Loss or receipt of any benefit under this Policy.

3.4 **Investigations, Inquiries, Prosecutions (Criminal or Otherwise)**
Chubb shall also pay on behalf of the Insured(s) on an on-going basis all reasonable legal fees, costs and expenses incurred in being legally represented with respect to any legally compellable attendance at any Investigation PROVIDED THAT:

a) the Investigation is commenced during the Policy Period;
b) the Investigation involves a claim that the Insured Person has committed a Wrongful Act;
c) such legal fees, costs and expenses are incurred with the written consent of Chubb, such consent not to be unreasonably withheld;
d) this Extension does not cover any fines or penalties imposed by law;
e) this Extension does not cover wages, salaries or other remuneration of the Insured Person(s) or of any Employee of the Body Corporate;
f) such advance payments by Chubb shall be repaid to Chubb by the in the event that the Insured(s) shall not be entitled to payment of any Loss or receipt of any benefit under this Policy.

3.5 **Continuous Cover**
Notwithstanding Exclusions 4.2 and 4.3 and in the absence of fraudulent non-disclosure, this Policy extends to cover the Insured(s) for any Claim, and for any Wrongful Act which may give rise to a Claim, which should or could have been notified to Chubb under an earlier insurance policy issued by Chubb and which is notified during the Policy Period, PROVIDED THAT:

a) Chubb has been the insurer continuously between the date when such notification should have been given and the date when notification was in fact given;
b) the terms, conditions and limits of this Policy shall not apply to this Extension, which shall be subject to the terms, conditions and limits of the earlier Chubb insurance policy which applied at the date on which such notification should have been given.

3.6 **Discovery Period**
a) If Chubb refuses to renew this Policy, the Body Corporate and/or the Insured Person(s) may upon payment of an additional 90% of the full annual premium extend the cover under this Policy for a period of 12 months which shall run from the date this Policy expires, for any Claim first made against the Insured(s) during the Discovery Period and notified in writing to Chubb during the Discovery Period, but only in respect of a Wrongful Act committed or alleged to have been committed in its entirety before the date of expiration of the Policy Period.

b) The right of the Body Corporate and/or the Insured Person(s) to exercise the Discovery Period must be by notice to Chubb in writing within 30 days of expiration of the Policy Period.
c) The right to exercise the Discovery Period does not apply in the event of cancellation of this Policy. Chubb's offer of renewal terms, conditions, limits of liability or premium different from those of the expiring policy shall not constitute a refusal to renew.

3.7 **Loss of Documents**
Chubb shall also indemnify the Insured against Loss of Documents, if the loss of, damage to or destruction of the Documents:

a) was first discovered by the Insured during the Policy Period; and
b) was first reported to Chubb during the Policy Period or within thirty (30) days thereafter.

For the purposes of this Extension only:
i. the definition of Loss is amended throughout the Policy to mean Loss of Documents;
ii. Exclusion 4.8 does not apply.

3.8 **Libel & Slander**
Chubb shall also pay on behalf of the Insured(s), Loss arising from any Claim for libel or slander by reason of words written or spoken by the Insured(s), provided such Claim is both first made against the Insured(s) and notified to Chubb during the Policy Period.

3.9 **Intellectual Property**
Chubb shall also pay on behalf of the Insured, Loss arising from any Claim for unintentional breach of any intellectual property right (including copyright, trademark, registered design, plagiarism, breach of confidentiality, disclosure of confidential information) except patent, by the Insured, provided such Claim is both first made against the Insured and notified to Chubb during the Policy Period, and provided that no indemnity shall be afforded to any person intentionally committing, assisting or condoning such act, error or omission.

3.10 **Work Health and Safety Defence Costs**
Chubb shall pay on behalf of the Insured Person, as Loss, all Defence Costs of an Insured Person arising from any Claim or Investigation alleging a breach of the *New Zealand Health and Safety at Work Act 2015*, or any similar legislation.

The maximum amount payable under this extension shall be $250,000. This sub limit shall be part of and not in addition to the Limit of Liability shown in Item 4 of the Schedule.

4. Exclusions

For the purpose of determining the applicability of the Exclusions contained in this Policy no conduct of, fact pertaining to or knowledge possessed by any Insured Person(s) shall be imputed to any other Insured Person(s) to determine if cover is available.

4.1 **Fraud or Dishonesty & Personal Profits**
Chubb shall not be liable to make any payment for Loss or for any Claim arising out of an Event based on, arising from or attributable to:

a) fraudulent, dishonest or criminal acts or omissions of the Insured(s) if such acts or omissions are found by a final adjudication of any Court to be fraudulent, dishonest or criminal.
b) any personal profit or advantage gained in fact by the Insured(s) to which such Insured(s) was not legally entitled.

4.2 **Retroactive Date**
Chubb shall not be liable to make any payment for Loss or for any Claim arising out of an Event based on, arising from or attributable to any fact, matter, Circumstance, act, omission or Event occurring or arising on or before the Retroactive Date.

4.3 **Prior Matters**
Chubb shall not be liable to make any payment for Loss or for any Claim based on, arising from or attributable to:

a) any pending or prior litigation or other proceedings (including but not limited to civil, criminal, regulatory and administrative proceedings or investigations) involving the Body Corporate or an Insured Person and issued or otherwise begun before the date shown at Item 7 of the Schedule and / or alleging or derived from the same or substantially the same facts or circumstances alleged in the pending or prior litigation or proceedings.
b) any fact, Circumstance, act, omission or claim of which notice has been given under any policy existing or expired before or on the inception date of this Policy.
c) any fact, Circumstance, act or omission which may give rise to a claim and of which the Insured(s) are aware prior to the inception of this Policy.

4.4 **Insured versus Insured**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Claim brought by or on behalf of the Insured Person(s) or the Body Corporate other than any Claim:

a) that is a derivative action brought or maintained in the name of the Body Corporate by any legally authorised individual or entity including any regulatory authority, provided the action is brought or maintained without the participation, solicitation, consent or assistance of any Insured, other than if required by law.
b) that is brought or maintained by any former Insured Person(s);
c) for contribution or indemnity, if the Claim for contribution or indemnity results from a Claim which is covered under this Policy.

4.5 **Pollution**
Chubb shall not be liable to make any payment for Loss or for any Claim based on, arising from or attributable to:

a) any injury, damage, expense, cost, loss, liability or legal obligation in any way related to pollution however caused including shareholder or derivative Claims arising from or attributable to such pollution. Pollution includes the actual, alleged or potential presence in or introduction into the environment of any substance, if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure or the air therein, watercourse or water, including groundwater; or
b) the hazardous properties of nuclear or radioactive material.

4.6 **Asbestos**
Chubb shall not be liable to make any payment for Loss or for any Claim based on, arising from or attributable to asbestos and/or related diseases whether directly or indirectly, in whole or in part.

4.7 **Bodily Injury**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Claim for bodily injury, sickness, disease, death or emotional distress or molestation of any person, provided that this exclusion shall not apply to cover as provided in Extension 3.10

4.8 **Property Damage**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to damage to or destruction of any tangible property, including loss of use of such property.

4.9 **Contractual Undertaking**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Claim brought against the Insured(s) based on, arising from or attributable to any actual or alleged liability of the Body Corporate under any contract, warranty or agreement unless such liability would nevertheless have attached at law in the absence of such contract, warranty or agreement.

4.10 **Consequential Loss**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any indirect or consequential loss of any nature, including but not limited to loss of income and to interest

or dividends not realised or received by the Body Corporate or by any other person(s) or organisation(s).

4.11 **Employment Contract Liability**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any liability assumed by the Body Corporate under an express employment contract or agreement unless the Body Corporate would have had such liability even in the absence of such contract or agreement.

4.12 **Professional Services**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Claim relating to or in respect of the performance of professional services for others for a fee or any act, error or omission relating thereto.

4.13 **Controlling Interest**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Claim brought directly or derivatively by or on behalf of any entity in which any Insured Person or the Body Corporate has any controlling interest.

4.14 **Territorial Scope**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Claim where legal action or litigation is brought in a Court of law constituted in the United States of America or Canada or arising out of the activities of the Body Corporate in the United States of America or Canada.

4.15 **Medical**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Loss caused by, arising out of or in any way connected with any medical treatment, advice and/or services and/or scientific or medical research.

4.16 **Legal**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Loss caused by, arising out of or in any way connected with any legal, financial and/or investment services or advice.

4.17 **Terrorism**
Chubb shall not be liable to make any payment for Loss based on, arising from or attributable to any Loss caused by, arising out of or in any way connected death, injury, illness, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

a) any Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss; and/or
b) any action taken in controlling preventing, suppressing or in any way relating to any Act of Terrorism.

4.18 **Reciprocal Enforcement of Judgments**
Chubb shall not be liable to make any payments for Loss based on, arising from or attributable to any liability of the Insured(s) arising under the *Reciprocal Enforcement of Judgments Act 1934.*

4.19 **Insolvency**
Chubb shall not be liable to make any payment for Loss based on, arising from, or in any way connected with the financial failure, bankruptcy, provisional liquidation, insolvency, appointment of receiver or administrator, entry into a scheme of arrangement, statutory protection, stopping the payment of debts or any occurrence of a similar nature under the laws of any jurisdiction, of the Body Corporate.

4.20 **Outside Directorship Exclusions**
Chubb will not pay for:

a) any Loss in connection with any Claim made by or against any other director, officer or employee of any Outside Organisation in which an Outside Directorship is held;

b) that part of any Loss for which cover is available pursuant to any policy of insurance arranged by or on behalf of any Outside Organisation;
c) that part of any Loss in connection with any Claim against an Insured Person for which indemnity is available from the Outside Organisation in which an Outside Directorship is held; and/or
d) any Loss in connection with any Claim made by or on behalf of the Insured Persons, the Outside Organisation or any directors, officers, company secretaries or employees of the Outside Organisation, except in respect of:
   i. any Claim that is a derivative action brought or maintained in the name of an Outside Organisation by any legally authorised individual or entity, provided the action is brought or maintained without the participation, solicitation, consent or assistance of any Insured Person(s), the Outside Organisation or any directors, Officers, company secretaries or employees of the Outside Organisation except when such participation, solicitation or assistance is required by law.

4.21 **Sanctions Exclusion**
Chubb shall not be deemed to provide cover and Chubb 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 Chubb, its parent or its ultimate holding company, to any sanction, prohibition or restriction implemented pursuant to resolutions of the United Nations or the trade and economic sanctions, laws or regulations of the European Union, United Kingdom, New Zealand or United States of America.

5. Conditions

5.1 **Allocations**
If a Claim against the Insured(s) includes causes of action against uninsured defendants, allegations of uninsured damages, uninsured acts or other uninsured matters, Chubb, the Body Corporate and the Insured Person(s) agree to use their best efforts to agree upon a fair and proper allocation of Defence Costs, settlements and Damages between Chubb, the Body Corporate and the Insured Person(s).

5.2 **Avoidance of Policy**
In the event that Chubb is entitled to avoid this Policy from inception, or from the time of any variation in cover, due to non-disclosure or misrepresentation by the Body Corporate or the Insured Person(s), Chubb shall maintain cover until the expiry date of the Policy Period for individuals who are Insured Person(s) under this Policy who can establish to the satisfaction of Chubb that they are innocent and free from all such fraudulent conduct, non-disclosure, misrepresentation or intent to deceive. Any return of premium or amendment to the terms of this Policy shall be at the discretion of Chubb.

5.3 **Claims/Circumstances/Investigations Notification**
a) The Body Corporate and the Insured Person(s) shall give written notice to Chubb as soon as practicable of:
   i. any Claim first made during the Policy Period or any notice first received during the Policy Period of any Investigation(s), but in no event later than 45 days after this Policy expires, or, in the case of Claims first made, allegations, facts and Circumstances of which the Body Corporate and/or the Insured Person(s) shall first become aware and notice(s) of any Investigation(s) first received during the Discovery Period, if applicable, no later than 45 days after the Discovery Period expires.
   ii. The Body Corporate and the Insured Person(s) shall give Chubb such information and cooperation as it may reasonably require to enable Chubb to investigate and determine both its liability under this Policy and the extent of the Insured(s') actual or potential liability for any Claim or arising from any facts or Circumstances which may give rise to a Claim. Notice and all information shall be sent in writing to the Claims Manager, Chubb Insurance New Zealand Limited, PO Box 734, Auckland 1140 or by facsimile to (64 9) 303 1909.

5.4 **Claims - Defence & Settlement**

a) Neither the Body Corporate nor the Insured Person(s) shall admit liability for or settle any Claim or incur Defence Costs without the written consent of Chubb, such consent not to be unreasonably withheld.
b) Chubb shall at all times have the right but not the duty to associate in the investigation, defence or settlement of any Claim to which this Policy may apply.
c) Chubb shall at all times have the right but not the duty to assume conduct in the name of the Insured(s) of the defence or settlement of any Claim or any claim for contribution or indemnity against any person or entity with respect to which the Insured(s) may have rights.
d) Chubb and the Insured(s) shall not be required to contest any Claim unless a Senior Counsel (to be mutually agreed upon by Chubb and the Insured(s)) shall advise that the Claim should be contested or admitted. The Senior Counsel shall take into consideration the economics of the Claim, the damages and costs which are likely to be recovered by the plaintiff, the Defence Costs which will be incurred in contesting the Claim and the prospects of the Insured(s) successfully defending the Claim. The costs of obtaining such opinion from the Senior Counsel shall be paid by Chubb as part of the Defence Costs.
e) Should the Senior Counsel advise that in all the circumstances the Claim should not be contested but should be settled, then either:
   i. settlement of the Claim must be attempted; or
   ii. the Insured(s) may elect to contest the Claim.

f) Where settlement is attempted in accordance with counsel's recommendation but settlement is unsuccessful, Chubb will continue to indemnify the Insured(s) subject to the terms, conditions, exclusions and limitations of this Policy. Should the Insured(s) elect not to attempt settlement in accordance with counsel's recommendations and elect to contest the Claim, Chubb's liability shall be limited to the settlement amount recommended by Senior Counsel plus the Defence Costs incurred up to the date that settlement was recommended by Senior Counsel.

5.5 **Confidentiality**
a) The Body Corporate may disclose that it has paid or agreed to pay a premium in respect of a contract insuring the Insured(s) against a liability.
b) The Body Corporate shall not, without the prior written consent of Chubb, otherwise disclose other than to the Insured(s) the existence of or the terms of this Policy, including but not limited to the identity of Chubb, the limit of liability and the premium, unless required to do so by law.

5.6 **Deductible**
a) The Body Corporate shall pay the Deductible for all Loss resulting from each Claim. Chubb shall have no obligation to pay Loss until the Insured Person(s) or the Body Corporate have incurred Loss in the amount of the Deductible if applicable, except that, if the Body Corporate is unable to pay the amount of the Deductible due to insolvency then, subject to all other terms and conditions of this Policy, Chubb shall pay such Loss.
b) If two or more Claims are made against any Insured(s) arising out of a single Wrongful Act, or out of a series of related Wrongful Acts, the Claims shall be treated as a single Claim for the purpose of applying the Deductible. This single Claim will be treated as if it was first made during the Policy Period at the earlier of:
   i. when the earliest Claim was first made, or
   ii. when the earliest Circumstance giving rise to a Claim was notified.

c) The Deductible shall apply to all Loss for which advancement or indemnification by the Body Corporate is required or permissible under company indemnification laws or agreements regardless of whether or not the Body Corporate actually advances or indemnifies the Insured Person(s) for such Loss.

5.7 **Limit of Liability**
a) The amount shown in Item 4 of the Schedule to this Policy is Chubb’s maximum aggregate liability and includes:
   i. all Loss including Defence Costs, arising from all Claims first made during the Policy Period and the Discovery Period if applicable;

ii. all legal fees, costs and expenses incurred for legal representation at any Investigation.

b) Two or more Claims arising out of a single Wrongful Act or a series of related Wrongful Acts shall be treated as a single Claim. All such Claims shall be treated as if first made during the Policy Period or Discovery Period at the earlier of:
   i. when the earliest Claim was first made, or
   ii. when the earliest Circumstance giving rise to a Claim was notified.

5.8 **Loss Mitigation**

a) The Body Corporate and the Insured Person(s) shall, at their own cost, use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any Loss under this Policy.

5.9 **Policy Interpretation**

a) This Policy shall be governed by and interpreted in accordance with the laws of New Zealand in which this Policy was issued.
b) Any disputes regarding the interpretation of this Policy shall be submitted to the exclusive jurisdiction of the courts of New Zealand.

5.10 **Proposal Form Disclosure and Severability**

a) Chubb has relied upon the statements made in the proposal, the supplementary proposal(s) if any, and materials accompanying them in granting cover under this Policy. All such statements and materials form the basis of the contract of insurance.
b) However the proposal(s) shall be construed as separate proposal(s) by each of the Insured(s) and, with respect to statements made and particulars provided in the proposal(s), no such statements or particulars, and no information possessed by the Insured(s), shall be imputed to any other Insured(s) to determine whether cover is available for any Claim against such other Insured(s).

5.11 **Subrogation**

In the event Chubb makes any payment under this Policy, Chubb shall be subrogated to all rights of recovery of the Body Corporate and all Insured Person(s), and the Body Corporate and the Insured Person(s) shall fully cooperate with Chubb in securing such rights.

5.12 **Goods and Services Tax**

Chubb shall pay to the Body Corporate and any other Insured Person any New Zealand GST that the Body Corporate and any other Insured Person is liable to pay as a result of receiving any payment under this Policy. However Chubb shall only cover the Body Corporate and any other Insured Person to the extent that Chubb is entitled to obtain a refund for the tax. This cover is in addition to Chubb's maximum aggregate liability referred to in Condition 5.7.

5.13 **Other Insurance**

If any Loss arising from a Claim is insured under any other Policy, whether prior or current, then to the extent permitted by law, this Policy, subject to its limitations, conditions, provisions and other terms, will only cover Loss to the extent that the amount of such Loss is in excess of the amount of such other insurance. This Condition does not apply to such other insurance that is written only as specific excess insurance over the limits of liability provided in this Policy.

5.14 **Cancellation**

Chubb may cancel this Policy by giving 30 days prior written notice to the Insured or the Insured's insurance broker.

The Insured may cancel this Policy by giving written notice to Chubb.

Upon cancellation of this Policy by Chubb or the Insured, Chubb will allow a refund of unearned premium in accordance with its customary short-term rates but such refund will never be greater than 75% of the premium

About Chubb in New Zealand

Chubb is the world's largest publicly traded property and casualty insurer. 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.

More information can be found at www.chubb.com/nz.

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