

# New South Wales Conveyancers Professional Indemnity Insurance Program

Master policy no: LPS022960493





# NSW Conveyancers Professional Indemnity Insurance Program

|   |          |
|---|----------|
| <b>An important note regarding this document</b>  | <b>1</b> |
| Part 1 – Notices  | 1        |
| Part 2 – Master Policy  | 1        |
| Part 3 – Contract of Insurance  | 1        |
| Where ‘prior consent’ is required from the Insurer                                      | 1        |
| Payment of reasonable amounts of any costs, charges expenses and fees under this policy | 1        |
| <b>Part 1 – Notices</b>   | <b>2</b> |
| Broker acting as agent for insurer  | 2        |
| Your duty of disclosure   | 2        |
| Claims made and notified basis of cover and retroactive date                            | 2        |
| Average provision   | 2        |
| Preservation of rights of recovery / subrogation waiver                                 | 2        |
| Overseas or worldwide activities  | 3        |
| Privacy Statement   | 3        |
| General Insurance Code of Practice  | 4        |
| Our complaints handling procedures  | 5        |
| <b>Part 2 – Master Policy</b>   | <b>6</b> |
| Master policy no: LPS022960493  | 6        |
| 1. Agreement between the Insurer and the Institute                                      | 6        |
| 2. Insuring Clauses   | 6        |
| 3. Master Policy Period of Insurance  | 7        |
| 4. Limit of Indemnity   | 7        |
| 5. Excess   | 7        |
| 6. Defence Costs  | 7        |
| 7. Aggregation of Claims  | 7        |
| 8. Conveyancer name changes   | 8        |
| 9. Insurer  | 8        |
| 10. Exclusions  | 8        |
| 11. General Conditions  | 8        |
| 12. Former Conveyancer Special Condition – Fraudulent Claims                            | 8        |
| <b>Part 3 – Contract of Insurance for 2024/2025</b>                                     | <b>9</b> |
| <b>Section 1 – Civil liability arising out of a claim</b>                               | <b>9</b> |
| 1. Who is insured   | 9        |
| 2. What you are insured for and when  | 9        |
| 3. How much you are insured for   | 9        |
| 4. What else you are covered for  | 10       |
| 5. What is excluded from the insurance  | 12       |

|   |           |
|---|-----------|
| <b>Section 2 – Liability for stolen transaction funds</b>                   | <b>14</b> |
| 1. Who is insured   | 14        |
| 2. What you are insured for and when  | 14        |
| 3. How much you are insured for   | 14        |
| 4. What else you are covered for  | 14        |
| 5. What is excluded from the insurance                                      | 15        |
| <b>Section 3 – General conditions</b>                                       | <b>16</b> |
| 1. Conduct of claim and crime loss  | 16        |
| 2. Claims settlement and crime loss payment                                 | 16        |
| 3. Excess   | 17        |
| 4. When you have to notify the insurer                                      | 17        |
| 5. Your duty to assist  | 18        |
| 6. Governing law  | 18        |
| 7. Severability and non imputation  | 18        |
| 8. Notices  | 19        |
| 9. Disputes   | 19        |
| 10. Fraudulent claims or crime losses                                       | 19        |
| 11. Jurisdiction and service of suit  | 19        |
| 12. Goods and services tax  | 19        |
| 13. Basis of valuation of crime loss  | 19        |
| 14. Recovery rights   | 20        |
| 15. Crime loss recoveries   | 20        |
| 16. Allocation of recoveries  | 20        |
| 17. Allocation of loss  | 21        |
| <b>Section 4 – Aggregation of claims and crime losses</b>                   | <b>22</b> |
| <b>Section 5 – Special condition – fraudulent claims and non-compliance</b> | <b>22</b> |
| <b>Section 6 – Interpretation</b>   | <b>22</b> |
| <b>Section 7 – Definitions</b>  | <b>22</b> |

# An important note regarding this document

Regulation 6 of the *Conveyancers Licensing Regulation 2021* (NSW) states that for the purposes of section 15 of the *Conveyancers Licensing Act 2003* (NSW), the Commissioner for Fair Trading, Department of Customer Service (**Commissioner**) may approve a policy of professional indemnity insurance under which a licensed conveyancer must be insured when carrying out conveyancing work.

Where the terms "Institute", "Former Conveyancer", "Conveyancer", "Master Policy", "Contract of Insurance", "Insured" and "Insurer" are used in this important note, they have the meaning given in Section 7 'Definitions' of Part 3 'Contract of Insurance'.

This document consists of 3 parts:

## Part 1 – Notices

This part includes information about your duty of disclosure, privacy, the General Insurance Code of Practice and our complaints handling procedures. This information applies to both Part 2 and Part 3 of this document.

## Part 2 —Master Policy

The Master Policy sets out the terms of the insurance agreed between the Insurer and the Australian Institute of Conveyancers New South Wales Division Limited on behalf of and for the benefit of:

- (a) the Institute;
- (b) all Former Conveyancers.

## Part 3 —Contract of Insurance

The Contract of Insurance sets out the terms of the insurance provided to a Conveyancer upon payment of the premium.

The policy wordings in both Part 2 and Part 3 of this document are approved by the Commissioner.

### Where 'prior consent' is required from the Insurer

There are some covers under the policy where the Insured will need to obtain the Insurer's prior consent, for example, before incurring costs. Where prior consent is required, consent must be obtained from the Insurer, unless otherwise specified in the policy. The Insurer's consent will not be unreasonably withheld or delayed.

Where prior consent has not been obtained as required, it does not mean the Insured cannot make a claim. However, the Insurer may be able to reduce the claim payable by an amount that fairly represents the extent to which the Insurer's interests were prejudiced by the failure to obtain prior consent.

### Payment of reasonable amounts of any costs, charges expenses and fees under this policy

A range of different costs, charges, expenses and fees are covered under this policy. Unless otherwise specified in the policy, the policy provides cover for the 'reasonable' amount of such cost, charge, expense or fee. Reasonable amount means an amount that is not excessive and where the Insured has given reasonable consideration in the circumstances to the different courses of action available prior to incurring the amount and the course of action taken was prudent in that context.

Where consent is required before incurring such costs, when the Insured contacts the Insurer to seek the Insurer's consent, the Insured can let the Insurer know the steps it has taken to consider the courses of action available and discuss the circumstances with the Insurer. If the amounts which are to be incurred are reasonable in the circumstances, the Insurer will provide consent for the costs to be incurred.

# Part 1 – Notices

These notices do not form part of the Master Policy or Contract of Insurance.

## Broker acting as agent for insurer

In effecting this contract of insurance the broker will be acting under an authority given to it by the insurer and the broker will be effecting the contract as agent of the insurer and not the insured.

Austbrokers SPT Pty Ltd (ABN 80 077 797 034 AFS Licence No 237117) arranges the insurance and AAI Limited (ABN 48 005 297 807) trading as Vero Insurance issues the insurance.

## Your 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.

## Claims made and notified basis of cover and retroactive date

The professional indemnity insuring clauses of these policies are issued on a 'claims made and notified' basis. This means that these insuring clauses cover claims:

- (a) first made against you during the period of insurance; and
- (b) that you tell us about during the period of insurance.

Pursuant to section 54 of the *Insurance Contracts Act 1984* (Cth), if you tell us about claims first made against you during the period of insurance, after the period of insurance expires, we may be able to reduce our liability by an amount that fairly represents the extent to which our interests were prejudiced as a result of your delay in notifying us of the claim.

Written notification of facts pursuant to section 40(3) of the *Insurance Contracts Act 1984* (Cth): If during the period of insurance, you learn about facts that might lead to a claim and you tell us in writing about these facts as soon as reasonably practicable after you became aware of those facts but before the end of the period of insurance, we will treat any subsequent claim arising from those facts as though it was made against you during the period of insurance.

The policy doesn't cover claims or potential claims that you knew about prior to the period of insurance which would have put a reasonable person in your position on notice a claim may be made against you. (There are some exceptions to this rule if a 'Continuous Cover' extension applies).

If a retroactive date is applied or shown on the Certificate of Insurance, the policy doesn't cover claims resulting from an act or failure to do something before that date.

## Average provision

Because your policy provides for defence costs in addition to the limit of indemnity, if a payment in excess of the limit of indemnity available under your policy has to be made to dispose of a claim, the insurer shall only be liable for the percentage of defence costs incurred with the insurer's prior consent that is a proportionate ratio to the amount of indemnity available under this policy.

## Preservation of rights of recovery / subrogation waiver

This policy contains provisions that have the effect of excluding the insurer's liability for a loss or liability incurred due to the insured taking action to, without the prior consent of the insurer:

- (a) settle or offer to settle any claim, incur any defence costs or otherwise assume any contractual obligation or admit any liability in respect of any claim;
- (b) pay or offer to pay any crime loss, incur particular types of expenses or otherwise assume any contractual obligation; or
- (c) admit any liability in respect of any crime loss.

## Overseas or worldwide activities

If this policy provides cover for the conduct of activities outside of Australia or claims brought in legal jurisdictions outside of Australia, it is possible other countries' laws or regulations may nevertheless prevent this policy from responding to provide that cover. If you conduct activities overseas you may wish to seek specific advice in relation to the relevant countries' insurance requirements from your insurance broker or a legal professional.

## Privacy Statement

AAI Limited trading as Vero Insurance is the insurer and issuer of your commercial insurance product, and is a member of the Suncorp Group, which we'll refer to simply as "the Group."

### Why do we collect personal information?

Personal information is information or an opinion about an identified individual or an individual who is reasonably identifiable. We collect personal information so that we can:

- ▼ identify you and conduct appropriate checks;
- ▼ understand your requirements and provide you with a product or service;
- ▼ set up, administer and manage our products and services and systems, including the management and administration of underwriting and claims;
- ▼ assess and investigate any claims you make under one or more of our products;
- ▼ manage, train and develop our employees and representatives;
- ▼ manage complaints and disputes, and report to dispute resolution bodies; and
- ▼ get a better understanding of you, your needs, your behaviours and how you interact with us, so we can engage in product and service research, development and business strategy including managing the delivery of our services and products via the ways we communicate with you.

### What happens if you don't give us your personal information?

If we ask for your personal information and you don't give it to us, we may not be able to provide you with any, some, or all of the features of our products or services.

### How we handle your personal information

We collect your personal information directly from you and, in some cases, from other people or organisations. We also provide your personal information to other related companies in the Group, and they may disclose or use your personal information for the purposes described in 'Why do we collect personal information?' in relation to products and services they may provide to you. They may also use your personal information to help them provide products and services to other customers, but they'll never disclose your personal information to another customer without your consent.

Under various laws we will be (or may be) authorised or required to collect your personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), Personal Property Securities Act 2009 (Cth), Corporations Act 2001 (Cth), Autonomous Sanctions Act 2011 (Cth), Income Tax Assessment Act 1997 (Cth), Income Tax Assessment Act 1936 (Cth), Taxation Administration Act 1953 (Cth), A New Tax System (Goods and Services Tax) Act 1999 (Cth) and the Australian Securities and Investments Commission Act 2001 (Cth), as those laws are amended and includes any associated regulations.

We will use and disclose your personal information for the purposes we collected it as well as purposes that are related, where you would reasonably expect us to. We may disclose your personal information to and/or collect your personal information from:

- ▼ other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
- ▼ any of our Group joint ventures where authorised or required;
- ▼ customer, product, business or strategic research and development organisations;
- ▼ data warehouse, strategic learning organisations, data partners, analytic consultants;
- ▼ social media and other virtual communities and networks where people create, share or exchange information;
- ▼ publicly available sources of information;
- ▼ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- ▼ a third party that we've contracted to provide financial services, financial products or administrative services – for example:
  - ▼ information technology providers,
  - ▼ administration or business management services, consultancy firms, auditors and business management consultants,
  - ▼ marketing agencies and other marketing service providers,

- ▼ claims management service providers,
- ▼ print/mail/digital service providers, and
- ▼ imaging and document management services;
- ▼ any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;
- ▼ a third party claimant or witnesses in a claim;
- ▼ accounting or finance professionals and advisers;
- ▼ government, statutory or regulatory bodies and enforcement bodies;
- ▼ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where you are an insured person but not the policy or product holder;
- ▼ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- ▼ the Australian Financial Complaints Authority or any other external dispute resolution body;
- ▼ credit reporting agencies;
- ▼ other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- ▼ legal and any other professional advisers or consultants;
- ▼ hospitals and, medical, health or wellbeing professionals;
- ▼ debt collection agencies;
- ▼ any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, eg your mother.

We'll use a variety of methods to collect your personal information from, and disclose your personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. We may collect and disclose your personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

#### Overseas disclosure

Sometimes, we need to provide your personal information to – or get personal information about you from – persons or organisations located overseas, for the same purposes as in 'Why do we collect personal information?'.

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at [www.vero.com.au/privacy](http://www.vero.com.au/privacy), or you can call us for a copy.

From time to time, we may need to disclose your personal information to, and collect your personal information from, other countries not on this list. Nevertheless, we will always disclose and collect your personal information in accordance with privacy laws.

#### How to access and correct your personal information or make a complaint

You have the right to access and correct your personal information held by us and you can find information about how to do this in the Suncorp Group Privacy Policy.

The Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint.

You can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in **Contact us**.

#### Contact us

For more information about our privacy practices including accessing or correcting your personal information, making a complaint, obtaining a list of overseas countries or giving us your marketing preferences you can:

- ▼ Visit [www.vero.com.au/privacy](http://www.vero.com.au/privacy)
- ▼ Speak to us directly by phoning us on: 1300 888 073 or
- ▼ Email us at [privacyaccessrequests@vero.com.au](mailto:privacyaccessrequests@vero.com.au)

#### General Insurance Code of Practice

We support the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by:

- ▼ Telephone (02) 9253 5100 or 1300 728 228
- ▼ Website [www.insurancecouncil.com.au](http://www.insurancecouncil.com.au)

The Code Governance Committee is an independent body which monitors and enforces the Code and has powers to impose sanctions on Code subscribers for non-compliance.

## Our complaints handling procedures

We are committed to:

- ▼ listening to what you tell us;
- ▼ being accurate and honest in telling you about our products and services;
- ▼ communicating with you clearly; and
- ▼ resolving any complaints or concerns you have in a fair, transparent and timely manner.

### How to contact us with a complaint

#### Let us know

If you experience a problem, are not satisfied with our products or services or a decision we have made, let us know so that we can help.

Contact us:

- ▼ By phone: 1300 888 073
- ▼ By email: [claims@vero.com.au](mailto:claims@vero.com.au)

Complaints can usually be resolved on the spot or within 5 business days.

#### Review by our Customer Relations Team

If we are not able to resolve your complaint or you would prefer not to contact the people who provided your initial service, our Customer Relations team can assist:

- ▼ By phone: 1300 264 470
- ▼ By email: [idr@vero.com.au](mailto:idr@vero.com.au)
- ▼ In writing: Vero Customer Relations Team, PO Box 14180, Melbourne City Mail Centre VIC 8001

Customer Relations will contact you if they require additional information or they have reached a decision.

When responding to your complaint you will be informed of the progress of and the timeframe for responding to your complaint.

#### Seek review by an external service

We expect our procedures will deal fairly and promptly with your complaint.

However, if you remain dissatisfied, there are external dispute remedies such as mediation, arbitration or legal action you may pursue.



# New South Wales Conveyancers Professional Indemnity Insurance Program

## Part 2 – Master Policy

**Master policy no: LPS022960493**

Unless otherwise stated, expressions used in this **Master Policy** have the meaning given to them by Sections 6 and 7 in the **Contract of Insurance**.

### 1. Agreement between the Insurer and the Institute

- (a) The Insurer agrees with the **Institute**, on behalf of **Conveyancers**, to provide insurance in accordance with this **Master Policy** and the terms of the **Contract of Insurance**.
- (b) In consideration of the payment of the premium requested by the Insurer, the Insurer shall issue a **Certificate of Insurance** to a **Conveyancer**, or to the **Firm, Sole Practitioner** or other legal entity of which that **Conveyancer** is an employee, **Associate**, director or principal. For the purposes of clarity, each **Certificate of Insurance** so issued has its own **Limit of Indemnity** and **Aggregate Limit of Indemnity**, and does not share its **Limit of Indemnity** or **Aggregate Limit of Indemnity** with any other **Certificate of Insurance** or the **Master Policy**.
- (c) The Insurer authorises Austbrokers SPT Pty Limited to issue, on behalf of the Insurer, **Certificates of Insurance** in accordance with this **Master Policy**.
- (d) If there are proceedings brought against any **Conveyancer** or **Former Conveyancer**, the liability for which is the subject of a **Claim** under the **Contract of Insurance** or **Master Policy**, and if:
  - (i) such proceedings necessitate intervention by the **Institute** or its nominee (for example, if the Insured cannot be located or is incapacitated); or
  - (ii) a **Claim** is made against the **Institute** or its nominee in respect of such proceedings,then, subject to the **Institute** or its nominee first taking reasonable steps to obtain the consent of such Insured, the Insurer agrees that the **Institute** or its nominee shall be deemed to be the Insured referred to in the **Certificate of Insurance** for such proceedings.
- (e) Subject to the **Conveyancer** paying any premium due, the Insurer shall on the terms of the **Contract of Insurance** indemnify any **Conveyancer** who ought to have been insured but who has failed to take out or renew their professional indemnity insurance.

### 2. Insuring Clauses

#### 2.1 Claims against the Institute for Failure to Account

The Insurer will indemnify the **Institute**, up to the Failure to Account Sublimit set out in clause 4(a) of this **Master Policy**, against loss to the **Institute** arising from any claim pursuant to sections 49 or 50 of the *Conveyancers Licensing Act 1992* (NSW) first made against the **Institute** and notified to the Insurer during the **Master Policy Period of Insurance** where the failure to account occurred before 1st February 1996.

#### 2.2 Claims against Former Conveyancers

- (a) The Insurer will indemnify, up to the **Limit of Indemnity** set out in clause 4(b) of this **Master Policy**, any **Former Conveyancer** against loss to the **Former Conveyancer** arising from:
  - I. any **Claim** first made against the **Former Conveyancer** arising from the **Practice**; or
  - II. any **Crime Loss** first **Discovered**,after the Insured has ceased to conduct the **Practice** and first notified to the Insurer during the **Master Policy Period of Insurance**, as if a **Certificate of Insurance** has been issued to the **Former Conveyancer** under this **Master Policy** and as if there were specified in such **Certificate of Insurance**:
  - (i) as the **Period of Insurance**, the period during which this **Master Policy** shall be in force;
  - (ii) as the **Limit of Indemnity**, the **Limit of Indemnity** set out in clause 4(b) of this **Master Policy**; and
  - (iii) as the **Aggregate Limit of Indemnity**, the **Aggregate Limit of Indemnity** set out in clause 4(b) of this **Master Policy**.
- (b) In respect of such **Former Conveyancers**, **Certificates of Insurance** need not be issued and no additional premium shall be payable.
- (c) No benefit pursuant to clause 2.2(a) or (b) above shall inure to the benefit of any person or entity who shall otherwise be insured under this or any of the **Master Policies** listed in the definition of **Former Conveyancers** in Section 7 of the **Contract of Insurance** below.

## 2.3 Claims against the Institute

The Insurer will indemnify the **Institute**, up to the **Limit of Liability** set out in clause 4(a) of this **Master Policy**, against loss to the **Institute** arising from any **Claim** first made against the **Institute** and notified to the Insurer during the **Master Policy Period of Insurance**.

## 3. Master Policy Period of Insurance

- (a) This **Master Policy** commences on the 1st July 2024 and expires at midnight on 30th June 2025.

This **Master Policy** can be extended subsequently for successive periods of one year on each 1st July subject to rates of premium and **Limit of Indemnity** for each renewal being agreed by the Insurer and the **Institute** at least three months before each renewal.

In the event of any failure of the Insurer and the **Institute** to agree upon such rates of renewal premium and **Limit of Indemnity**, all cover under this **Master Policy** shall cease at midnight on the 30th June of the year after the policy commenced or was last extended (whichever is later).

- (b) On expiry of the period of this **Master Policy** or the period for which it was last renewed or extended, the Insurer agrees to provide cover in accordance with the provisions of this **Master Policy** and the **Contract of Insurance**, for any **Claim** first made against an Insured and notified to the Insurer during an extended reporting period of ninety (90) days from such expiry, but only in respect of an act, error or omission committed, attempted or allegedly committed or attempted, in the conduct of the **Practice** prior to that expiry and PROVIDED THAT any **Claim** made during the extended reporting period shall be deemed to have been made during the immediately preceding **Period of Insurance**.

## 4. Limit of Indemnity

- (a) The **Limit of Indemnity** provided by the Insurer to the **Institute** under this **Master Policy** is \$5,000,000 in respect of any one **Claim**. The **Aggregate Limit of Indemnity** is \$10,000,000 in the aggregate for all **Claims**.

For **Claims** pursuant to sections 49 or 50 of the *Conveyancers Licensing Act 1992* (NSW) against the **Institute** where the failure to account occurred before 1st February 1996, a Failure to Account Sublimit of \$2,000,000 in the aggregate applies (which Failure to Account Sublimit is included in and not in addition to the **Limit of Indemnity** and **Aggregate Limit of Indemnity**).

- (b) The **Limit of Indemnity** provided by the Insurer to any one **Former Conveyancer** under this **Master Policy** is \$5,000,000 in respect of any one **Claim** or **Crime Loss**. The **Aggregate Limit of Indemnity** is \$10,000,000 in the aggregate for all **Claims** and **Crime Losses**.
- (c) A separate **Limit of Indemnity** and **Aggregate Limit of Indemnity** under this **Master Policy** applies in respect of the **Institute** and each **Former Conveyancer**.

## 5. Excess

- (a) Section 3 clause 3 'Excess' of the **Contract of Insurance** applies to this **Master Policy**.
- (b) The **Excess** applicable to Insuring Clause 2.1 of this **Master Policy** is \$2,500.
- (c) The **Excess** applicable to Insuring Clause 2.2 of this **Master Policy** is \$5,000.
- (d) The **Excess** applicable to Insuring Clause 2.3 of this **Master Policy** is \$5,000.

## 6. Defence Costs

- (a) Subject to paragraph (b) below, the Insurer will, in addition to the **Limit of Indemnity**, pay **Defence Costs** for **Claims** covered under the **Master Policy**.

- (b) If the total amount of compensation and **Claimant's Costs** required to dispose of the **Claim** or **Claims** exceeds:

- (i) the **Limit of Indemnity** of \$5,000,000 in respect of any one **Claim**; or
- (ii) the sublimit of \$2,000,000 in the aggregate for all claims pursuant to sections 49 or 50 of the *Conveyancers Licensing Act 1992* (NSW),

then the liability of the Insurer for **Defence Costs** shall be limited to the proportion which:

- (iii) in the case of paragraph (b)(i), the **Limit of Indemnity** of \$5,000,000 in respect of any one **Claim**; or
- (iv) in the case of paragraph (b)(ii), the sublimit of \$2,000,000 in the aggregate for all claims pursuant to sections 49 or 50 of the *Conveyancers Licensing Act 1992* (NSW),

bears to the total amount of compensation and **Claimant's Costs** required to dispose of the **Claim** or **Claims**.

## 7. Aggregation of Claims

All **Claims** arising out of, based upon, attributable to or in respect of a single act, error or omission or series of acts, errors or omissions consequent upon or attributable to one source or original cause shall be considered to be a single **Claim** and shall attract one **Limit of Indemnity** and one **Excess**.

## 8. Conveyancer name changes

The Insurer agrees that if, during the currency of a **Contract of Insurance**, the **Firm** changes its name, the **Certificate of Insurance** of the said **Contract of Insurance** shall be deemed to be amended to substitute the new name(s) for the former names(s), pending written notification by the **Firm** of the change of name and issue of an amended **Certificate of Insurance** by the Insurer. The Insurer will issue an amended **Certificate of Insurance** showing the new name when notified of the name change.

## 9. Insurer

The Insurer is AAI Limited trading as Vero Insurance ABN 48 005 297 807.

## 10. Exclusions

The Exclusions listed under clause 5 of Sections 1 and 2 of the **Contract of Insurance** apply to this **Master Policy**.

## 11. General Conditions

Section 3 of the **Contract of Insurance** applies to this **Master Policy**.

## 12. Former Conveyancer Special Condition – Fraudulent Claims

- (a) Subject to clause 10 of Section 3 of the **Contract of Insurance**, in respect of the cover provided to any **Former Conveyancer** under Insuring Clause 2.2, the Insurer will not:
- (i) seek to avoid, repudiate or rescind this **Master Policy** and/or attached **Contract of Insurance** upon any ground whatsoever, including in particular non-disclosure or misrepresentation; and/or
  - (ii) reject or reduce the quantum of any **Claim** because of any non-disclosure or misrepresentation.
- (b) Where such **Former Conveyancer's** breach of or non-compliance with any condition of this **Master Policy** and/or attached **Contract of Insurance** has resulted in prejudice to the handling or settlement of any **Claim** against such **Former Conveyancer** for which such **Former Conveyancer** is insured, the Insurer's liability in respect of the **Claim** is reduced by the amount that fairly represents the extent to which the Insurer's interests were prejudiced as a result of the **Former Conveyancer's** breach or non-compliance. If the Insurer has already fully indemnified the **Former Conveyancer** in accordance with the terms of this insurance, then such **Former Conveyancer** shall reimburse the Insurer the difference between the sum payable by the Insurer in respect of that **Claim** and the sum which would have been payable in the absence of such prejudice.

# New South Wales Conveyancers Professional Indemnity Insurance Program

## Part 3 – Contract of Insurance for 2024/2025

In consideration of the payment of the premium requested by the Insurer, the Insurer agrees to insure You on the terms and conditions set out in this **Contract of Insurance**.

When reading this **Contract of Insurance**, please note the use of specially defined words that appear in bold type. There is a list of these words in Section 7 'Definitions'. Although the **Contract of Insurance** defines the words "Insurer", "You", "Your" and "Insured", these words do not appear in bold type.

### Section 1 – Civil liability arising out of a claim

#### 1. Who is insured

The Insurer insures You being:

- (a) the **Firm, Sole Practitioner** and any other legal entity shown in the **Certificate of Insurance**;
- (b) any past or present subsidiary, as defined in the *Corporations Act 2001* (Cth), of the entities described in (a) above;
- (c) any past or present employee, **Associate**, director or principal of the entities described in (a) or (b) above;
- (d) any past or present **Partner** in the **Firm**;
- (e) the estate, heirs, legal representatives or legal assigns of any Insured in the event of the death or legal incapacity of such Insured;
- (f) any service company, administration company, nominee company or trust but only in respect of activities carried out in connection with the **Practice**; and
- (g) any **Spouse** of a person covered in paragraphs (a) to (d) above, but only in respect of any **Claim** made against such **Spouse** solely by reason of:
  - (i) such **Spouse's** legal status as a **Spouse** of such above-listed person; or
  - (ii) such **Spouse's** ownership interest in property which a claimant seeks as recovery for **Claims** made against such above- listed person.

Provided that such **Spouse** is not otherwise covered under this **Contract of Insurance** in respect of such **Spouse's** conduct of the **Practice**.

If during the **Period of Insurance**, the **Firm** or any other legal entity shown in the **Certificate of Insurance** changes its name, the Insurer agrees that the **Certificate of Insurance** shall be deemed to be amended to substitute the new name for the former name, pending written notification by the **Firm** of the change of name and issue of an amended **Certificate of Insurance** by the Insurer. The Insurer will issue an amended **Certificate of Insurance** showing the new name when notified of the name change.

#### 2. What you are insured for and when

- (a) The Insurer will indemnify You against any civil liability for a **Claim** that:
  - (i) is first made against You and notified to the Insurer during the **Period of Insurance**; and
  - (ii) arises from the conduct of the **Practice**,but not in respect of any **Claim** resulting from any act, error or omission occurring or committed prior to the **Retroactive Date**.

Point 2(a)(ii) above is extended to the practice of licensed conveyancing in New South Wales undertaken as part of a conveyancing business by any past or present director, principal or **Partner** in the **Firm** in a professional capacity before joining the Insured named in the **Certificate of Insurance**. In respect of such practice, no **Retroactive Date** shall apply.

#### 3. How much you are insured for

- (a) The liability of the Insurer in respect of any one **Claim** will not exceed the **Limit of Indemnity**.
- (b) The liability of the Insurer in respect of all **Claims** under this Section 1 and all **Crime Loss** under Section 2 in the aggregate will not exceed the **Aggregate Limit of Indemnity**.
- (c) Provided that the maximum liability of the Insurer for all **Claims** arising from Your failure to account for monies or any other negotiable instrument prior to 1 February 1996 shall not exceed the amount shown as the Failure to Account Sublimit in the **Certificate of Insurance**.
- (d) **Aggregation of claims**

All **Claims** arising out of, based upon, attributable to or in respect of a single act, error or omission or series of acts, errors or omissions consequent upon or attributable to one source or original cause shall be considered to be a single **Claim** and shall attract one **Limit of Indemnity** and one **Excess**.



(e) **Cover that is part of these limits**

For the avoidance of doubt, payments made under clauses 4(b) to 4(e) and 4(h) of Section 1 will be part of and not in addition to the **Limit of Indemnity** and **Aggregate Limit of Indemnity**, unless otherwise stated.

**4. What else you are covered for**

(a) **Defence costs**

The Insurer will, in addition to the **Limit of Indemnity**, pay reasonable **Defence Costs** for **Claims** incurred with the Insurer's prior consent in connection with a **Claim** under this Section 1.

If the total amount of compensation and **Claimant's Costs** required to dispose of the **Claim** ("Total Claim Amount") exceeds the **Limit of Indemnity**, the Insurer shall only be liable for the percentage of **Defence Costs** that is a proportionate ratio to the Total Claim Amount that is indemnified by the **Limit of Indemnity**.

The Insurer will advance reasonable **Defence Costs**, incurred by the Insurer or You with the Insurer's prior consent, as they are incurred and prior to final adjudication of a **Claim**. If and to the extent that You are not entitled to coverage under the terms and conditions of this **Contract of Insurance**, then the Insurer will cease to advance such costs and any amounts previously advanced shall be repaid to the Insurer.

(b) **Inquiry costs**

The Insurer will indemnify You against reasonable **Inquiry Costs** incurred with the Insurer's prior consent, provided that:

- (i) the **Inquiry Notice** is first received by You and notified to the Insurer during the **Period of Insurance**;
- (ii) such **Inquiry Notice** arises directly from conduct allegedly committed by You in carrying on the **Practice**;
- (iii) Your regular or overtime wages, salaries or fees are excluded from this indemnity; and
- (iv) the total liability of the Insurer under this clause shall not exceed \$2,500,000 in the aggregate during the **Period of Insurance**.

Provided that the Insurer will not be liable for any **Inquiry Costs** arising out of an **Inquiry Notice** issued by the Office of the Australian Information Commissioner (OAIC) (or other responsible agency or person as set out in the *Privacy Act 1988* (Cth) or any amendment, consolidation, re-enactment, replacement or successor of such legislation).

The Insurer will advance reasonable **Inquiry Costs**, incurred by the Insurer or You with the Insurer's prior consent, as they are incurred. If and to the extent that You are not entitled to coverage under the terms and conditions of this **Contract of Insurance**, then the Insurer will cease to advance such costs and any amounts previously advanced shall be repaid to the Insurer.

For the purposes of clarity, cover under this clause is not dependent upon a **Claim** being made against You but is subject to all other terms of this **Contract of Insurance**, unless otherwise stated.

(c) **Lost documents**

The Insurer will, in the event of loss of or damage to **Documents** occurring in connection with the **Practice**, indemnify You against reasonable costs and expenses incurred by You in replacing or restoring such **Documents**.

Provided that:

- (i) such loss or damage is sustained during the **Period of Insurance** while the **Documents** are either in transit or in the custody of either:
  - (a) You; or
  - (b) any third party to whom a reasonable person in Your professional position would entrust the **Documents** with the expectation that the **Documents** would be protected from loss or damage;
- (ii) the amount of any claim for such costs and expenses shall be supported by proof of loss or damage to **Documents** (for example bills and accounts) which shall be subject to approval by an appropriately qualified and experienced professional or advisor to be nominated by the Insurer with Your consent or if such consent is withheld, by the President of the Law Society of the State or Territory where the **Certificate of Insurance** was issued;
- (iii) the Insurer will not be liable for loss or damage caused by or arising directly or indirectly from, in connection with or in respect of any **Cyber Act**;
- (iv) the Insurer shall not be liable in respect of loss or damage caused by riot or civil commotion; and
- (v) the Insurer will not be liable in respect of loss or damage caused by:
  - (a) mould;
  - (b) vermin or pest infestation; or
  - (c) fading, wear, tear or any other gradually operating cause.

For the purpose of clarity, cover under this clause is not dependent upon a **Claim** being made against You but is subject to all other terms of this **Contract of Insurance**, unless otherwise stated.

(d) **Compensation for court attendance**

The Insurer will pay the **Firm** or **Sole Practitioner** compensation if legal advisers, acting on behalf of the **Firm** or **Sole Practitioner** with the consent of the Insurer, require any Insured person to attend court in connection with a **Claim** under this **Contract of Insurance** first made and notified to the Insurer during the **Period of Insurance**.

For a **Claim** made against a **Firm**, the Insurer will pay compensation under this clause 4(d) only in circumstances where the **Firm** actually pays the Insured person for his/her time.

Such compensation by the Insurer will be at the rate equivalent to such Insured person's daily take home salary or wage up to a maximum of \$500 per person for each day on which attendance is required subject to a maximum of \$20,000 for all Insured persons for any one **Claim**.

The **Excess** applicable to this clause 4(d) is nil.

If and to the extent that You are not entitled to coverage under the terms and conditions of this **Contract of Insurance**, then all amounts paid to You under this clause shall be repaid to the Insurer by You.

(e) **Public relations expenses**

The Insurer will indemnify the **Firm** or **Sole Practitioner** for reasonable **Public Relations Expenses** incurred by the **Firm** or **Sole Practitioner** in respect of an **Adverse Publicity Event** that first occurs and is notified to the Insurer during the **Period of Insurance**, provided that:

- (i) the liability of the Insurer will be limited to the reasonable **Public Relations Expenses** incurred during the first thirty days immediately following the **Adverse Publicity Event**; and
- (ii) the reasonable **Public Relations Expenses** are incurred with the prior consent of the Insurer.

The total liability of the Insurer under this extension will not exceed \$50,000 in the aggregate during the **Period of Insurance**.

The Insurer has no liability for the amount of the reasonable **Public Relations Expenses** that is less than the **Excess** for each **Adverse Publicity Event**. The **Firm** or **Sole Practitioner** agrees that the **Excess** must be borne by the **Firm** or **Sole Practitioner** and is to remain uninsured.

For the purposes of clarity, cover under this clause is not dependent upon a **Claim** being made against You but is subject to all other terms of this **Contract of Insurance**, unless otherwise stated.

(f) **Legal consultation**

The **Firm** or **Sole Practitioner** is entitled to up to two hours legal advice from the 'Legal Adviser' specified in the **Certificate of Insurance** (or their delegate) on any matter related to the risks insured under this **Contract of Insurance**, except in relation to the scope of cover provided under this **Contract of Insurance**, or claims, disputes or complaints against the Insurer, provided that:

- (i) the legal advice is sought during the **Period of Insurance**; and
- (ii) the **Firm** or **Sole Practitioner** must provide the legal adviser with the policy number, **Period of Insurance** and name of the **Firm** or **Sole Practitioner**.

There will be no cost payable by the **Firm** or **Sole Practitioner** for the legal advice.

For the purposes of clarity, cover under this clause is not dependent upon a **Claim** being made against You but is subject to all other terms of this **Contract of Insurance**, unless otherwise stated.

(g) **Continuous cover**

Where You:

1. first became aware of facts or circumstances that might give rise to a **Claim**, prior to the **Period of Insurance**; and
2. had not notified the Insurer of such facts or circumstances prior to the **Period of Insurance**,

then clause 5(a) of this Section 1 will not apply to any notification during the **Period of Insurance** of any **Claim** resulting from such facts or circumstances, provided that:

- (i) there is an absence of fraudulent noncompliance with Your duty of disclosure and an absence of fraudulent misrepresentation by You in respect of such facts or circumstances;
- (ii) You have been continuously insured, without interruption at the time of the notification of the **Claim** to the Insurer, under a professional indemnity policy issued by the Insurer and were insured by the Insurer at the time when You first became aware of such facts or circumstances; and
- (iii) the Insurer may reduce their liability under the **Contract of Insurance** to the extent of any prejudice the Insurer may suffer in connection with Your failure to notify the facts or circumstances giving rise to a **Claim** prior to the **Period of Insurance**.

(h) **Mitigation of loss**

The Insurer will indemnify You against reasonable costs and expenses:

- (i) of legal advice; and

- (ii) to get the registration, entry, note or record of something in the titles register changed, withdrawn or removed,

incurred in respect of any action taken to mitigate loss or potential loss that otherwise would be the subject of a **Claim** under this Section 1.

Provided that:

- (I) You first discover the relevant act, error or omission which would give rise to the loss during the **Period of Insurance** and notify the Insurer during the **Period of Insurance**;
- (II) You obtain consent from the Insurer prior to incurring such cost; and
- (III) no payment will be made to You in relation to a cyber ransom or extortion payment, meaning payment demanded by a third party who has committed, or has threatened to commit, an unauthorised, malicious or criminal act in respect of **Computer Systems** or **Data** that would result in, or is intended to result in, harm or loss being suffered by You or any other party.

The total liability of the Insurer for all costs and expenses incurred under this clause 4(h) in the case of:

- (A) a **Conveyancer**; or
- (B) a **Sole Practitioner**, or **Firm** or any other legal entity shown in the **Certificate of Insurance** of which more than one **Partner**, director or principal is a **Conveyancer**,

will not exceed \$50,000 in the aggregate during the **Period of Insurance**.

You shall be liable for the first \$2,500 of costs and expenses incurred under this clause 4(h).

## 5. What is excluded from the insurance

### (a) Notifications under prior insurance

Subject to clause 4(g) of this Section 1, the Insurer shall not be liable under this Section 1 in respect of any **Claim** made against You during the **Period of Insurance** in respect of loss arising out of any circumstance or occurrence which has been notified under any other insurance attaching prior to the **Period of Insurance**.

### (b) Other exclusions

The Insurer shall not be liable under this Section 1 to indemnify You in respect of any **Claim**, loss, liability, compensation, costs, expenses, **Inquiry Costs**, **Claimant's Costs**, **Defence Costs** or **Public Relations Expenses**:

#### (i) **Asbestos**

arising directly or indirectly from or in respect of asbestos, asbestos fibres or derivatives of asbestos.

#### (ii) **Failure to account for monies**

arising directly or indirectly from or in respect of any failure to account for monies or any other negotiable instrument actually or allegedly received by You which occurred on or after 1st February 1996, to the extent that any loss for which You would be liable in respect of such failure to account is recoverable from the Property Services Compensation Fund in accordance with Part 7 of the **Conveyancers Licensing Act 2003**.

#### (iii) **Trade debts**

arising directly or indirectly from or in respect of any liability:

- (a) for payment of any trade debt incurred by You; or
- (b) to repay any monies charged as fees and disbursements or for costs incurred in relation to any dispute as to fees and disbursements.

#### (iv) **Pollution**

arising directly or indirectly from or in respect of any:

- (a) personal injury or damage to property, arising directly or indirectly out of inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any **Fungi, Mould, Mildew** or **Damaging Factor**; or
- (b) the abating, testing for, monitoring, cleaning up, removing, repairing, replacing, containing, treating, detoxifying, neutralising, remediating or disposal of, or in any way responding to, investigating or assessing the effects of, any **Fungi, Mould, Mildew**, or **Damaging Factor**,

unless it arises from the conduct of the **Practice**.

#### (v) **Radioactivity**

arising directly or indirectly from or in respect of ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or from the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear device or assembly, or a nuclear component thereof.

#### (vi) **War**

arising directly or indirectly from or in respect of any consequence of war, invasion, act of foreign

enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

(vii) **Contractual liability**

arising directly or indirectly from or in respect of any liability arising from a contract other than:

- (a) a contract to provide services within the definition of the **Practice**; or
- (b) if You would have been liable in the absence of such contract.

(viii) **Terrorism**

arising directly or indirectly from or in respect of:

- (a) any **Act of Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence; or
- (b) any action taken in controlling, preventing, suppressing or in any way relating to any **Act of Terrorism**.

(ix) **Restriction to New South Wales**

arising in respect of any **Practice** that creates, varies, transfers or extinguishes a legal or equitable interest in any real or personal property not located in New South Wales, but only to the extent it is determined (other than in an action brought by the Insurer) that such **Practice** is in breach of legislation in the other state or territory.

(x) **Sanctions**

The Insurer will not provide any cover, pay any claim, make any payment (including any refund), or provide any benefit under this Policy, if doing so will expose us to, or contravene or violate any sanction, prohibition, restriction, proscription or prevention under any sanctions, laws or regulations, including but not limited to sanctions, laws or regulations of Australia, New Zealand, the European Union, the United Kingdom or the United States of America or those set out in any United Nations resolutions.



## Section 2 – Liability for stolen transaction funds

### 1. Who is insured

The Insurer insures You.

### 2. What you are insured for and when

The Insurer will indemnify You against **Crime Loss** for which You are legally liable and which was first **Discovered** and notified to the Insurer within the **Period of Insurance**.

For the purpose of clarity, **Crime Loss** includes loss of **Transaction Funds** caused by an intentional misrepresentation of a fact by a person which is relied upon by You in effecting or authorising the transfer of **Transaction Funds** and You are innocent of, and not complicit in, any dishonest or fraudulent act (“Social Engineering Fraud”).

### 3. How much you are insured for

- (a) The liability of the Insurer under this Section 2 in respect of any one **Crime Loss** will not exceed the **Limit of Indemnity**.
- (b) The liability of the Insurer in respect of all **Crime Loss** under this Section 2 and **Claims** under Section 1 in the aggregate will not exceed the **Aggregate Limit of Indemnity**.
- (c) All **Crime Loss** sustained as a result of the same or causally related acts, causes or events will be deemed to be one **Crime Loss** regardless of when such acts occurred.
- (d) For the avoidance of doubt, payments made under clauses 4(b) and 4(c) of this Section 2 will be part of and not in addition to the **Limit of Indemnity** and **Aggregate Limit of Indemnity**.

### 4. What else you are covered for

#### (a) Fraud investigator expenses

The Insurer will, in addition to the **Limit of Indemnity** and **Aggregate Limit of Indemnity**, pay all reasonable expenses (excluding overtime wages, salaries, and the like, and other costs incurred in the normal course of business) incurred by You with the Insurer’s prior consent, solely to investigate and gather supporting evidence to substantiate **Crime Loss**.

The total liability of the Insurer under this clause 4(a) will not exceed \$100,000 in the aggregate for the **Period of Insurance**.

A **Crime Excess** does not apply to this clause 4(a).

#### (b) Crime loss prevention expenses

The Insurer will cover reasonable expenses incurred by You with the Insurer’s prior consent, solely to prevent a specific actual or suspected **Crime Loss** happening or to limit or reduce the amount of actual or suspected **Crime Loss**.

The liability of the Insurer under this clause excludes cover for:

- (i) overtime wages, salaries and the like;
- (ii) the costs of acquiring, upgrading or maintaining security systems;
- (iii) the costs of complying with security requirements of contracts and service agreements entered into by You;
- (iv) other costs incurred in the normal course of business; and
- (v) expenses incurred under this clause that are collectively less than \$1,500.

The total liability of the Insurer under this clause 4(b) will not exceed \$10,000 in the aggregate for the **Period of Insurance**.

Any expenses paid by You under this clause because they are excluded from the Insurer’s liability under this clause pursuant to 4(b)(v) above, shall be deducted from the **Crime Excess** or **Excess** payable by You for any **Crime Loss** or **Claim** that arises from the same situation that gave rise to expenses under this clause.

If a **Crime Loss** or **Claim** arises from the same situation that gave rise to expenses under this clause, all amounts paid by the Insurer under this clause shall be deducted from the **Limit of Indemnity** applicable to such **Crime Loss** or **Claim**.

Any amounts paid by the Insurer under this clause shall be deducted from the **Aggregate Limit of Indemnity**.

#### (c) Additional costs

The Insurer will also indemnify You against any of the following amounts for which You are legally liable arising from a covered **Crime Loss**:

- (i) the amount of any non-refundable deposit that will not be returned as a direct result of the **Crime Loss**;
- (ii) any loan break costs or additional interest incurred as a direct result of the of the **Crime Loss**.

## 5. What is excluded from the insurance

The Insurer will not be liable under this Section 2 for:

### (a) Asbestos

**Crime Loss** arising directly or indirectly from or in respect of asbestos, asbestos fibres or derivatives of asbestos.

### (b) Discovery outside the period of insurance

**Crime Loss** first **Discovered** prior to the commencement of the **Period of Insurance** or after the expiry of the **Period of Insurance**.

### (c) Dishonesty or fraud of director, partner or transaction party

**Crime Loss** arising directly or indirectly from or in respect of any dishonest or fraudulent act committed by:

- (i) a **Sole Practitioner**;
- (ii) a director, principal or **Partner** of any entity shown in the **Certificate of Insurance**;
- (iii) an employee, agent or **Associate** of any entity shown in **Certificate of Insurance** acting in collusion with a person specified in (i) or (ii) above; or
- (iv) a **Transaction Party** acting in collusion with a person specified in (i) or (ii) above.

### (d) Extra costs or losses

other than any amount covered under clause 4(c) of this Section 2, the following losses:

- (i) loss of income or revenue, potential income or earning capacity, interest, profits or dividends, whether or not earned or accrued;
- (ii) loss of opportunity;
- (iii) contractual penalties;
- (iv) changes in property value;
- (v) accommodation costs;
- (vi) loss caused by business interruption or disruption;
- (vii) loss caused by delay;
- (viii) lack of performance;
- (ix) loss of contract;
- (x) loss of production;
- (xi) loss of use;
- (xii) loss of staff;
- (xiii) depreciation in value; or
- (xiv) any other loss not covered under clause 2 or clauses 4(a), 4(b) and 4(c) of this Section 2.

### (e) Loss of records

loss of or damage to records, manuscripts, accounts, microfilms, tapes or other records or the cost of reproducing any information contained in such lost or damaged records.

### (f) Loss sustained after discovery

**Crime Loss**, or any part of **Crime Loss**, caused by an employee, agent or **Associate** of the entity shown in the **Certificate of Insurance**:

- (i) sustained after **Discovery** of any fraudulent or dishonest act committed by that employee, agent or **Associate**; and
- (ii) which could not reasonably have been foreseen and prevented by You.

### (g) Retroactive date

**Crime Loss** sustained prior to the Crime Retroactive Date shown in the **Certificate of Insurance**.

### (h) Restriction to New South Wales

**Crime Loss** arising in respect of any **Practice** that creates, varies, transfers or extinguishes a legal or equitable interest in any real or personal property not located in New South Wales, but only to the extent it is determined (other than in an action brought by the Insurer) that such **Practice** is in breach of legislation in the other state or territory.

### (i) War and terrorism

**Crime Loss** arising directly or indirectly from or in respect of:

- (i) any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;

- (ii) any **Act of Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence; or
  - (iii) any action taken in controlling, preventing, suppressing or in any way relating to any **Act of Terrorism**.
- (j) **Benefits due to you**  
amounts which are due to You as a fee or any other kind of benefit.
- (k) **Damages**  
damages of any type such as punitive, exemplary or aggravated damages.
- (l) **Unjust enrichment**  
any payment to or for the benefit of a person or any entity owned or controlled by a person who committed or condoned any dishonest or fraudulent act that caused the **Crime Loss**, provided that this exclusion shall not apply until such conduct is established by a formal written admission by the person or final, non-appealable adjudication of a judicial or arbitral tribunal.
- (m) **Sanctions**  
The Insurer will not provide any cover, pay any claim, make any payment (including any refund), or provide any benefit under this Policy, if doing so will expose us to, or contravene or violate any sanction, prohibition, restriction, proscription or prevention under any sanctions, laws or regulations, including but not limited to sanctions, laws or regulations of Australia, New Zealand, the European Union, the United Kingdom or the United States of America or those set out in any United Nations resolutions.

### Section 3 – General conditions

Where the effect of a term in this **Contract of Insurance** is that the Insurer may refuse to pay a claim by reason of something You or another person did or did not do after this **Contract of Insurance** was entered into then, in accordance with the Insurance Contracts Act 1984 (Cth), the Insurer may:

- (a) refuse to pay a claim, but only to the extent that such act or failure caused or contributed to the loss which gives rise to the claim; or
- (b) reduce the payment of a claim, but only by an amount that fairly represents the extent to which the Insurer's interests are prejudiced by the act or failure.

In the event of any conflict between this clause and Section 5 'Special condition - fraudulent claims and non-compliance', Section 5 shall prevail.

#### 1. Conduct of claim and crime loss

- (a) The Insurer has the right and full discretion, but is not obligated to, at their own expense and at any time to take over and conduct in Your name, including in relation to insured, underinsured and uninsured losses:
  - (i) the defence, investigation or settlement of any **Claim** or investigation relating to an **Inquiry Notice** and the conduct of any proceedings arising from any **Claim**; and
  - (ii) the investigation or payment of any **Crime Loss** and the conduct of any proceedings arising from any **Crime Loss**.
- (b) The Insurer reserves entirely their rights under this **Contract of Insurance**, including their right to agree or deny cover while they assess a **Claim**, **Inquiry Notice**, or **Crime Loss**, conduct the defence of any **Claim** or **Inquiry Notice**, or conduct any investigation of **Crime Loss**. The Insurer's rights under this **Contract of Insurance** are not affected if they do not conduct the defence of a **Claim** or **Inquiry Notice**, or the investigation of **Crime Loss**.
- (c) If You dispute the Insurer's approach to defending the **Claim** or **Inquiry Notice**, You and Insurer shall endeavour to settle this dispute by mediation administered by the Australian Disputes Centre ("ADC") before having recourse to arbitration or litigation.

The mediation shall be conducted in accordance with the ADC Guidelines for Commercial Mediation ("Guidelines") operating at the time the matter is referred to the ADC. The terms of the Guidelines are hereby deemed incorporated into this **Contract of Insurance**.

#### 2. Claims settlement and crime loss payment

- (a) You must not:
  - (i) settle or offer to settle any **Claim**, incur any **Defence Costs** or **Inquiry Costs**, or otherwise assume any contractual obligation or admit any liability in respect of any **Claim**;
  - (ii) pay or offer to pay any **Crime Loss**, incur any expenses under Section 2 clause 4(a) or Section 2 clause 4(b) or otherwise assume any contractual obligation in respect of any **Crime Loss**; or
  - (iii) admit any liability in respect of any **Crime Loss**,  
without the Insurer's prior consent.
- (b) If You object to a proposal by the Insurer to settle or compromise any **Claim** payable under this **Contract of Insurance** and wish to contest or litigate the matter, then You may so elect, but the Insurer's liability in

respect of any such **Claim** so contested or litigated will not exceed the amount for which, but for such election, it could have been settled or compromised by the Insurer, together with **Defence Costs** payable in accordance with the terms of this **Contract of Insurance** and incurred up to the time of such election, subject to the **Excess** and to the **Limit of Indemnity**.

- (c) If You object to a proposal by the Insurer to resolve any **Inquiry Notice** covered under this **Contract of Insurance** and wish to contest the matter, then You may so elect, but the Insurer's liability for **Inquiry Costs** in respect of any such **Inquiry Notice** so contested will not exceed the amount which, but for such election, would have been incurred by the Insurer to resolve the matter, subject to the **Excess** and the limit specified in clause 4(b)(iv) of Section 1 of this **Contract of Insurance**.

### 3. Excess

- (a) With respect to the indemnities provided under the **Master Policy** and Section 1:

- (i) The **Excess** is payable by You in respect of any compensation, **Claimant's Costs** or **Defence Costs** arising out of or in respect of any one **Claim** made against You.
- (ii) The **Excess** is deducted from compensation, **Claimant's Costs** or **Defence Costs** payable before the application of the **Limit of Indemnity**.
- (iii) You are liable for the amount of any compensation, **Claimant's Costs** or **Defence Costs** that are collectively less than the **Excess** for each **Claim**.

- (b) With respect to the indemnity provided under the **Master Policy** and Section 2:

- (i) You are liable for the amount of any one **Crime Loss** that is less than the **Crime Excess**; and
- (ii) The **Crime Excess** is deducted from **Crime Loss** payable before the application of the **Limit of Indemnity**.

- (c) **Failure to warn excess**

With respect to the indemnities provided under Section 1 and Section 2, the **Excess** or **Crime Excess** shall be increased by \$5,000 if the **Claim** or **Crime Loss** arises from Your client being the victim of electronic crime or fraud and You are unable to provide evidence of having alerted Your client to:

- (i) the risks of electronic crime or fraud; and
- (ii) the precautions they should take to minimise the likelihood of being the victim of electronic crime or fraud,

by means of:

1. information included in Your costs agreement or other terms of trade that were actually put before the client; and
2. a standardised email signature that was actually included on Your email correspondence with the client,

and this failure caused or contributed to the loss.

- (d) **Acting for both vendor and purchaser**

With respect to the indemnities provided under Section 1 and Section 2, the **Excess** applicable for any **Claim** or **Crime Loss** shall be increased by \$5,000 if the **Claim** or **Crime Loss** arises from You acting for both vendor and purchaser, including any authorised agent or legal representative of such party, to a property transaction for which You are engaged to conduct the **Practice**.

- (e) The method for payment of the **Excess** will depend on the particular circumstances of the **Claim**, for example:

- (i) The Insurer may pay the amount of compensation, **Claimant's costs**, or **Defence Costs** that is less than the **Excess**, and then require repayment of this amount from the **Firm** or **Sole Practitioner**; or
- (ii) The Insurer may deduct the amount of the **Excess** from the amount payable by the Insurer to You; or
- (iii) The Insurer may require the **Firm** or **Sole Practitioner** to pay the **Excess** directly to a third party.

### 4. When you have to notify the insurer

- (a) You must give notice to the Insurer as soon as reasonably practicable within the **Period of Insurance** of any:

- (i) **Claim** made during the **Period of Insurance** against You;
- (ii) **Inquiry Notice** received by You; and
- (iii) **Discovery** of any **Crime Loss**.

Every legal document or other communication received by You (including letters, demands, writs, summons and legal processes) relating to such **Claim** or **Inquiry Notice** shall be forwarded to the Insurer as soon as reasonably practicable after receipt.

All notifications to the Insurer, including but not limited to **Claims** and any legal documents and other communications specified above, must be sent to:



Vero Insurance  
Professional Risks Liability Claims  
GPO Box 346  
Sydney NSW 2001

Phone: 1300 888 073

Fax: 1300 066 950

Email: lodgeclaim@vero.com.au

(b) Either at the time of or following notification of **Discovery** of a **Crime Loss**, You must as soon as reasonably practicable, provide the Insurer with the following information:

- (i) the nature and particulars of the event that has or may give rise to a **Crime Loss**;
- (ii) the likely quantum of the **Crime Loss**; and
- (iii) affirmative proof of the **Crime Loss**, with full particulars of the **Transaction Funds** involved.

#### 5. Your duty to assist

(a) You must cooperate and provide the Insurer with reasonable assistance in connection with any investigation, negotiation, recovery, defence and legal proceeding or settlement of a **Claim, Inquiry Notice** or **Crime Loss**. This assistance may include:

- (i) lodging a police report;
- (ii) providing a more detailed version of facts, including signing statements and affidavits;
- (iii) providing further information, evidence and documentation;
- (iv) attending court or meetings with appointed legal or other experts;
- (v) making available **Partners**, directors and employees for interviews, meetings and court attendance;
- (vi) providing contact details of individuals (if available) who may have information that is relevant to the **Claim** (to the extent that the provision of such details would not breach any legally enforceable privacy or confidentiality requirement);
- (vii) providing access to systems and records (to the extent that doing so would not breach any legally enforceable privacy or confidentiality requirement).

Any of Your costs to comply with the above requirements shall be borne by You, unless otherwise covered under the policy.

(b) You must where reasonably practicable, take steps to avoid or diminish further **Crime Loss**, for example, but not limited to:

- (i) stopping use of processes or documentation which You suspect may have contributed to the **Crime Loss**;
- (ii) checking the functionality of any standard measures, processes or procedures (for example, risk control processes) in place to prevent **Crime Loss**;
- (iii) avoiding confrontational engagement with an aggravated claimant;
- (iv) maintaining a detailed record of all communications with any party about the **Crime Loss**;
- (v) in the case of a **Firm**, taking steps a reasonable person in the **Firm's** position would take (for example, suspending an employee) where the **Firm** has confirmed or suspects dishonesty or a fraudulent or malicious act or omission has contributed to the **Crime Loss**.

Any of Your costs to comply with the above requirement shall be borne by You, unless otherwise covered under the Policy.

(c) The Insurer may undertake any investigation as is reasonably required in relation to the **Claim, Inquiry Notice** or **Crime Loss**.

#### 6. Governing law

This **Contract of Insurance** will be governed in accordance with the laws of New South Wales. Any disputes relating to interpretation will be submitted to the exclusive jurisdiction of the courts of Australia.

#### 7. Severability and non imputation

(a) Where this **Contract of Insurance** insures more than one party, any failure on the part of any of the parties to:

- (i) comply with the Duty of Disclosure in terms of the *Insurance Contracts Act 1984* (Cth); or
- (ii) comply with any obligation in terms of this **Contract of Insurance**; or
- (iii) refrain from conduct which is dishonest, fraudulent, criminal or malicious,

shall not prejudice the right of the remaining party or parties to indemnity in terms of this **Contract of Insurance**, provided that such remaining party or parties shall:

- (i) be entirely innocent of and have had no prior knowledge of any such failure; and
- (ii) as soon as reasonably practicable after becoming aware of any such failure, advise the Insurer in writing of all its relevant circumstances.

- (b) For the purpose of determining coverage under this **Contract of Insurance** including without limitation, the application of any exclusion:
- (i) no state of mind or knowledge or information possessed by any Insured (whether before or after inception of this **Contract of Insurance**) shall be imputed to any other Insured;
  - (ii) no act, statement, representation, conduct, breach, contravention, error or omission of any Insured (whether before or after inception of this **Contract of Insurance**) shall be imputed to any other Insured;
  - (iii) the proposal will be construed as a separate proposal by each Insured.

## 8. Notices

Notices to the Insurer, other than notifications pursuant to Section 3 clause 4 'When you have to notify the insurer', shall be deemed to be properly made if given to Vero Insurance, Professional and Financial Risks, GPO Box 115, Sydney, NSW, 2001.

## 9. Disputes

Except as provided for in the clause 2 of this Section 3, any dispute or disagreement between You and the Insurer arising out of or in connection with this **Contract of Insurance** shall, at Your and the Insurer's request, be referred to a sole arbitrator appointed by You and the Insurer or, failing agreement between You and the Insurer, by the President of the Insurance Council of Australia Limited for the time being, whose decision shall be final and binding upon both parties, provided that the agreement to refer a dispute or disagreement to arbitration is made after the dispute or disagreement has arisen.

## 10. Fraudulent claims or crime losses

- (a) Where a claim is made fraudulently, the Insurer may refuse payment of the claim but where only part of the claim is fraudulent, the Insurer shall not refuse payment in respect of that part of the claim which is not fraudulent.
- (b) If You fraudulently seek payment for an actual or alleged **Crime Loss**, the Insurer may refuse payment of the **Crime Loss** but only for that portion of the **Crime Loss** for which fraudulent payment is sought.

## 11. Jurisdiction and service of suit

Notwithstanding anything contained in clause 9 of this Section 3, the Insurer agrees that:

- (a) In the event of a dispute arising under this **Contract of Insurance**, the Insurer at Your request will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.
- (b) The Insurer will accept service of legal documents (including subpoenas, writs and garnishee orders) in person at its Registered Office or via post or email at the following addresses:
  - (i) In person: Vero Insurance, Registered Office, Level 23, 80 Ann Street Brisbane Qld 4000
  - (ii) Post: The Proper Officer, Court Process Desk, Vero Insurance, GPO Box 1453, Brisbane Qld 4001
  - (iii) Email: CourtProcessDesk@suncorp.com.au
- (c) If a suit is instituted against the Insurer, the Insurer will abide by the final decision of any competent Court or any competent Appellate Court in the Commonwealth of Australia.

## 12. Goods and services tax

As part of the premium, the Insurer will charge You an amount on account of GST, stamp duty and any other government charges that apply. The premium also includes any discounts the Insurer has given You, and these discounts are applied before the addition of any applicable government taxes and charges.

You must tell the Insurer about the input tax credit (ITC) You are entitled to for Your premium and claim, each time You make a claim. If You do not give the Insurer this information or if You tell the Insurer an incorrect ITC, the Insurer will not pay any GST liability You incur. The Insurer's liability to You will be calculated taking into account any ITC to which You are entitled for any acquisition which is relevant to the claim, or to which You would have been entitled had You made a relevant acquisition.

In respect of Your policy, where You are registered for GST purposes You should calculate the insured amount having regard to Your entitlement to input tax credits. You should, therefore, consider the net amount (after all input tax credits) which is to be insured and determine an insured amount on a GST exclusive basis.

This outline of the effect of the GST on Your policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to Your circumstances.

'GST', 'input tax credit' and 'acquisition' have the meaning given in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

## 13. Basis of valuation of crime loss

The Insurer will be liable for the value of lost **Transaction Funds** at the time of **Crime Loss**. In respect of **Crime Loss** of **Transaction Funds** in a currency other than the Australian dollar, the Insurer will not be liable for more than the value of any such foreign currency calculated in Australian dollars at the rate of exchange published in The Australian Financial Review as the wholesale market closing rate on the date or date nearest to the date when the **Crime Loss** was **Discovered**.

#### 14. Recovery rights

(a) You will not, without the Insurer's prior consent, enter into:

- (i) any agreement whereby You release, agree not to sue on, waive or prejudice any rights to recover from a person or organisation who is or could have been liable to compensate You for any loss, damage or legal liability;
- (ii) any deed or agreement excluding, limiting or delaying the legal rights of recovery against another party; or
- (iii) any arrangement or compromise or do any act whereby any rights or remedies to which the Insurer would be subrogated in respect to such loss, damage or legal liability are or may be prejudiced.

Where You do not comply with the above, the Insurer may not cover You under this **Contract of Insurance** for any such loss, damage or legal liability.

(b) In the event of any payment under this **Contract of Insurance**, the Insurer will be subrogated to all Your rights of recovery against any person or organisation.

The Insurer has the right and full discretion but is not obligated to take over and conduct in Your name any recovery action (including in relation to insured, uninsured and underinsured losses). The Insurer may engage legal or other representatives to assist in the conduct of any recovery action.

The Insurer waives any rights of subrogation against You save where those rights arise in connection with a dishonest or criminal act by You.

#### 15. Crime loss recoveries

In the event of any payment in respect of a **Crime Loss**:

(a) You must, if requested by the Insurer, take all reasonable steps to help in the recovery of the **Crime Loss** from any person committing or condoning the dishonest or fraudulent act or from the legal representatives of such person. This help may include:

- (i) providing a more detailed version of events including completing a diagram or statement/ affidavit;
- (ii) lodging a police report;
- (iii) filing searches to locate the person or their legal representative;
- (iv) attending court (only if required); or
- (v) providing evidence and documentation relevant to the **Crime Loss** and executing such documents, including signed statements which the Insurer reasonably requests; and

(b) to the extent allowed by law, the Insurer will deduct the following from any amount payable in respect of **Crime Loss** caused by or resulting from a dishonest or fraudulent act:

- (i) any monies which but for such dishonest or fraudulent act would be due from You to the person committing or condoning such act, but only to the extent that You have the right to offset such amounts against the **Crime Loss**; and
- (ii) any monies held by You and belonging to such person, but only to the extent that You have the right to offset such amounts against the **Crime Loss**; and
- (iii) any monies recovered under (a) above,

and all such monies will be applied towards reducing the amount of the **Crime Loss**.

#### 16. Allocation of recoveries

(a) All recoveries obtained from other parties will be allocated, after the settlement of any **Claim** under this **Contract of Insurance**, as follows:

(i) firstly, to Your benefit to reduce or extinguish the amount of compensation, **Claimant's Costs** or **Defence Costs** to the extent that such amounts would have been paid under this **Contract of Insurance** but for the fact that such amounts exceed the sum of:

1. the **Limit of Indemnity**, or the amount of any specified limit applicable to a specific clause where applicable; and
2. the **Excess** where applicable; and

(ii) secondly, to the benefit of the Insurer for all sums paid in settlement, defence or investigation of any **Claim** under this **Contract of Insurance**;

(iii) thirdly, to Your benefit for the **Excess** under **Contract of Insurance**.

All recoveries will be applied as above only after deduction of the reasonable cost of obtaining such recovery. All recoveries made prior to settlement of any **Claim** under this **Contract of Insurance** will be held for the benefit of the Insurer and applied as stated above after settlement if any is made.

Recoveries do not include any amount recovered from insurance, surety, reinsurance, security or indemnity taken for the benefit of the Insurer.

## 17. Allocation of loss

### (a) When this clause applies

This clause applies to any civil liability for compensation and **Claimant's Costs, Defence Costs** and compensation for court attendance in respect of any **Claim, Inquiry Costs** and **Crime Loss** (referred to collectively as "Loss" under this clause), which is either or both:

- (i) in respect of more than one person or entity (at least one of whom is an Insured), whether jointly or severally; or
- (ii) partly covered and partly not covered under this **Contract of Insurance**;  
(together "Loss to be Allocated").

The Insurer must decide a fair and reasonable allocation of the covered part of the Loss to be Allocated among the relevant Insureds and the Insurer having regard to the extent of each Insured's comparative responsibility for the Loss to be Allocated.

### (b) What the insurer must take into account when deciding loss to be allocated

The Insurer's consideration of what is fair and reasonable shall include without limitation, the following factors:

- (i) the nature of the **Claim** against, **Inquiry Notice** against or **Crime Loss** sustained by each Insured;
- (ii) the issues of fact and law in relation to each Insured;
- (iii) the content and the manner of the conduct of any defence of the **Claim** or **Inquiry Notice**;
- (iv) the relative degree of personal responsibility for the Loss;
- (v) the extent to which the Insured's responsibility for the Loss is joint, several or shared;
- (vi) the extent to which any person or entity, other than that Insured, would obtain a benefit from the payment by the Insurer;
- (vii) the extent to which the Loss is solely of that Insured;
- (viii) the extent to which the issues in the **Claim** against, **Inquiry Notice** against or **Crime Loss** sustained by that Insured are in common with the issues in the **Claim** against, **Inquiry Notice** against or **Crime Loss** sustained by any other person or entity;
- (ix) the extent to which the Loss is partly covered and partly not covered under this **Contract of Insurance**; and
- (x) in the event of a settlement, the likely comparative responsibility had the settlement not occurred.

### (c) If you do not agree with the insurer's decision relating to the allocation of loss

If you wish to dispute the Insurer's decision in respect of allocation, each party agrees that the dispute must be referred for expert determination in accordance with the ADC Rules for Expert Determination ("Rules") available on the ADC's website, to an expert agreed by the parties, or if the parties do not agree on an expert, an expert appointed by the ADC in accordance with the Rules.

Each party agrees to sign an agreement with the expert that confirms the following matters, unless contrary to the Rules or the requirements of the ADC:

- (i) the payment of fees for the appointed expert (Note: refer to 'Cost of the expert determination' below for more information); and
- (ii) the expert may:
  - (a) consider relevant industry practice;
  - (b) consider all information presented to the expert by either party;
  - (c) request more information from either party;
  - (d) request a meeting with the parties (to which they may bring their legal representatives or other persons with information or knowledge relevant to the determination) (Note: in accordance with the Rules, the meeting is not a hearing); and
- (iii) the expert must provide a determination, subject to receiving all information required, within thirty days after the agreement is signed, unless:
  - (a) another time is agreed between the parties, in which case the agreement will provide for this timeframe; or
  - (b) the expert must comply with a timeframe as set by the ADC, in which case the agreement will provide for this timeframe;
- (iv) the expert must provide written reasons for the determination;
- (v) the expert's decision will be binding on the parties and final; and
- (vi) the liability of the expert to either party (including liability for negligence) will be excluded to the full extent permitted by law.



This allocation applies for all purposes under this **Contract of Insurance** including in relation to any advancement of costs.

Any allocation of Loss will not apply to or create a presumption with respect to the allocation of other Loss on account of such **Claim** or **Crime Loss**.

(d) **Cost of the expert determination**

The Insurer will pay for the cost of the expert determination above, including Your share of the costs.

The ADC may require each party to bear the cost of the expert determination in equal proportions and require each party to individually pay their share of any cost required directly (including any fee, deposit or other amount charged). Where this is required, You must pay the costs accordingly and the Insurer will separately reimburse You for the cost of the expert determination

#### Section 4 – Aggregation of claims and crime losses

If a **Claim** and **Crime Loss** both arise from or are both in respect of the same or causally related acts, causes or events:

- (i) the combined liability of the Insurer under Section 1 and Section 2 for that **Claim** and **Crime Loss** will not exceed the **Limit of Indemnity** shown in the **Certificate of Insurance**; and
- (ii) the combined amount of the **Excess** and the **Crime Excess** for which You are liable under clause 3 of Section 3, shall not exceed the greater of the **Excess** or **Crime Excess**.

#### Section 5 – Special condition – fraudulent claims and non-compliance

(a) Subject to clause 10 'Fraudulent Claims or Crime Losses' of Section 3, the Insurer will not:

- (i) seek to avoid, repudiate or rescind this **Contract of Insurance** upon any ground whatsoever, including in particular non-disclosure or misrepresentation; or
- (ii) reject or reduce the quantum of any **Claim** or **Crime Loss** payment because of any non-disclosure or misrepresentation.

(b) Where Your breach of or non-compliance with any condition of this **Contract of Insurance** has resulted in prejudice to the handling or settlement of any **Claim** against You for which You are insured, the Insurer's liability in respect of the **Claim** is reduced by the amount that fairly represents the extent to which the Insurer's interests were prejudiced as a result of Your breach or non-compliance. If the Insurer has already fully indemnified You in accordance with the terms of this insurance, then You shall reimburse the Insurer the difference between the sum payable by the Insurer in respect of that **Claim** and the sum which would have been payable in the absence of such prejudice.

(c) Where Your breach of or non-compliance with any condition of this **Contract of Insurance** has resulted in prejudice to the investigation, recovery or payment of any **Crime Loss** for which You are insured, the Insurer's liability in respect of the **Crime Loss** is reduced by the amount that fairly represents the extent to which the Insurer's interests were prejudiced as a result of Your breach or non-compliance. If the Insurer has already fully indemnified You in accordance with the terms of this insurance, then You shall reimburse the Insurer the difference between the sum payable by the Insurer in respect of that **Crime Loss** and the sum which would have been payable in the absence of such prejudice.

#### Section 6 – Interpretation

In this **Contract of Insurance**, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) the male gender includes the female and vice versa;
- (c) where an expression is defined for the purpose of this **Contract of Insurance**, any other grammatical form of the expression has the same meaning;
- (d) headings are merely descriptive and not an aid to interpretation;
- (e) references to an amount of money are references to that amount in Australian dollars; and
- (f) a reference to any legislation includes all delegated legislation made under it and any amendment, consolidation, re-enactment, replacement or successor of such legislation.

#### Section 7 – Definitions

For the purpose of this **Contract of Insurance**:

- (a) **"Act of Terrorism"** means 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, 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 or to put the public, or any section of the public, in fear.
- (b) **"Adverse Publicity Event"** means an event which, in the reasonable opinion of the **Firm** or **Sole Practitioner**, might cause the reputation of the **Firm** or **Sole Practitioner** to be seriously affected by adverse or negative publicity.

- (c) **“Aggregate Limit of Indemnity”** means:
- (i) for indemnities in the **Master Policy**, the amounts specified in clause 4 of the **Master Policy**;
  - (ii) for indemnities in the **Contract of Insurance**, the amount shown as the Aggregate Limit of Indemnity in the **Certificate of Insurance**.
- (d) **“Associate”** has the meaning in section 91 of the **Conveyancers Licensing Act 2003**.
- (e) **“Certificate of Insurance”** means the current certificate of insurance issued by the Insurer to the **Conveyancer** shown in the certificate of insurance.
- (f) **“Claim”** means any demand made by a third party upon You for compensation including for non-pecuniary damages, however conveyed, including a writ, statement of claim, application or other legal or arbitral process.
- (g) **“Claimant’s Costs”** means legal costs and expenses You are liable to pay to the person making a Claim against You.
- (h) **“Computer System”** means any computer, hardware, software, communications system, electronic device (including but not limited to smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output or data storage device, networking equipment or back up facility.
- (i) **“Contract of Insurance”** means the contract of insurance set out in Part 3 of this document.
- (j) **“Conveyancer”** means a person or entity who is licensed to carry out conveyancing work in accordance with the **Conveyancers Licensing Act 2003** or similar legislation enacted in New South Wales for the protection of consumers.
- (k) **“Conveyancers Licensing Act 2003”** means the *Conveyancers Licensing Act 2003* (NSW).
- (l) **“Crime Excess”** means the Crime Excess as shown in the **Certificate of Insurance**.
- (m) **“Crime Loss”** means loss of **Transaction Funds** caused by any dishonest or fraudulent act committed by a person (whether acting alone or in collusion with any other person), with the intent to cause such loss to occur or to obtain a financial gain, whether for themselves or any other person.
- (n) **“Cyber Act”** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.
- (o) **“Damaging Factor”** means bacteria, rot, decay, micro-organisms, protozoa or similar forms.
- (p) **“Data”** means information, facts, concepts, code or any other information of any kind that is converted, recorded or transmitted in a form to be accessed, communicated, displayed, distributed, interpreted, processed, transmitted or stored or used in or by a **Computer System**.
- (q) **“Defence Costs”** means the costs and expenses incurred by the Insurer, or by You, in defending, investigating or settling any **Claim** (not being **Inquiry Costs** or **Claimant’s Costs**).
- (r) **“Discovered/Discovery”** means the date when the **Sole Practitioner** or director, **Partner** or senior manager of any entity shown in the **Certificate of Insurance**, not in collusion with any person committing any dishonest or fraudulent act, first becomes aware of facts which would cause a reasonable person in the circumstances to believe that **Crime Loss** covered by this **Contract of Insurance** has occurred, or is likely to occur, regardless of when the act or acts causing or contributing to such **Crime Loss** occurred and even though the exact amount or details of **Crime Loss** may not then be known.
- (s) **“Documents”** means deeds, wills, agreements, maps, plans, records, computer records, electronic data, written or printed books, letters, certificates, written or printed documents or forms of any nature (excluding any bearer bonds, coupons, bank or currency notes or other negotiable instruments) which is the property of You or for which You are responsible.
- (t) **“Excess”** means the amount shown in the **Certificate of Insurance** except in respect of **Public Relations Expenses**, in which case it means \$1,000.
- (u) **“Firm”** means the firm, as from time to time constituted, carrying on the **Practice**, which firm is identified as the Insured on the **Certificate of Insurance**.
- (v) **“Former Conveyancer”** means a person or entity who has ceased by reason of death, retirement or otherwise to practice in a conveyancing **Practice** or business and who has at any time been insured under the **Master Policy** or any master policy issued by the Insurer of which the **Master Policy** is a replacement or has at any time been insured under any of the following HIH Casualty & General Insurance Limited Master Policies:
- Master Policy 9335NK18976 1 July 1993 –30 June 1994
  - Master Policy 9435NK18976 1 July 1994 –30 June 1995
  - Master Policy 9535NK18976 1 July 1995 –30 June 1996
  - Master Policy 9635NK18976 1 July 1996 –30 June 1997
  - Master Policy 9735NK18976 1 July 1997 –30 June 1998

Master Policy 9835NK18976 1 July 1998 –30 June 1999

Master Policy 9935NK18976 1 July 1999 –30 June 2000

Master Policy 0035NK18976 1 July 2000 –16 March 2001.

- (w) **“Fungi, “Mould” and “Mildew”** means any type or form of fungi, mould or mildew and includes any mycotoxins, allergens, volatile organic compounds, spores, scents, or by-products of any sort produced or released by such fungi, mould or mildew.
- (x) **“Inquiring Body”** means any official body or institution empowered by law to investigate You including but not limited to the Commissioner for NSW Fair Trading, NSW of Fair Trading, the Office of the NSW Legal Services Commissioner (OLSC), NSW Civil and Administrative Tribunal (NCAT), a court, statutory regulatory body, tribunal, arbitral body or legally constituted industry or professional board, but excluding any Royal Commission.
- (y) **“Inquiry Costs”** means the legal costs and expenses (not being **Defence Costs**) incurred by the Insurer or by You:
- (i) arising out of any notice from an **Inquiry Body** requiring or inviting a response from You or requiring or inviting Your attendance at an inquiry or hearing held before an **Inquiring Body**;
  - (ii) in responding to any notice from a Royal Commission; or
  - (iii) arising out of any notice from a Royal Commission requiring the Insured’s attendance at an investigation, inquiry or hearing held before that Royal Commission.
- (z) **“Inquiry Notice”** means any notice that may result in the Insured incurring **Inquiry Costs**.
- (aa) **“Institute”** means the Australian Institute of Conveyancers New South Wales Division Limited, formerly the Association of Property Conveyancers Limited.
- (ab) **“Insurer”** means AAI Limited trading as Vero Insurance ABN 48 005 297 807.
- (ac) **“Limit of Indemnity”** means:
- (i) for indemnities in the **Master Policy**, the amounts specified in clause 4 of the **Master Policy**;
  - (ii) for indemnities in the **Contract of Insurance**, the amount shown as the Limit of Indemnity in the **Certificate of Insurance**.
- The **Limit of Indemnity** stated in the **Master Policy** and in any **Certificate of Insurance** is exclusive of GST to the extent You are entitled to claim an input tax credit.
- (ad) **“Master Policy”** means the contract of insurance set out in Part 2 of this document.
- (ae) **“Partner”** means any **Associate** held out by the **Firm** as a partner in the **Firm**.
- (af) **“Period of Insurance”** means:
- (i) for the purposes of the Master Policy, the period during which cover is provided under clause 3(a) of the Master Policy (referred to as the “Master Policy Period of Insurance”);
  - (ii) for the purposes of the Contract of Insurance, the Period of Insurance as shown in the Certificate of Insurance.
- (ag) **“Practice”** means the practice of licensed conveyancing in New South Wales undertaken as part of a conveyancing business carried on by You or Your predecessors alone or with others.
- (ah) **“Public Relations Expenses”** means the reasonable costs, charges, fees and expenses of a public relations firm or consultant engaged to prevent or limit the adverse effects of or negative publicity from an **Adverse Publicity Event**.
- (ai) **“Retroactive Date”** means the Retroactive Date shown in the **Certificate of Insurance**.
- (aj) **“Section”** means a specified part in the **Contract of Insurance**.
- (ak) **“Sole Practitioner”** means the natural person who engages in the **Practice** on his or her own account and is identified as the Insured in the **Certificate of Insurance**.
- (al) **“Spouse”** means a lawful spouse, a domestic partner (including without limitation a same sex partner) or any person deriving similar status by reason of the common law or statute.
- (am) **“Transaction Funds”** means deposit or settlement funds for a property transaction for which You are engaged to conduct the **Practice**.
- “Transaction Funds”** also includes any fees, commissions, taxes, duties and rates included as part of the deposit or settlement transaction.
- (an) **“Transaction Party”** means a party to the property transaction for which You are engaged to conduct the **Practice**, including any authorised agent or legal representative of such party.
- (ao) **“You”, “Your” and “Insured”** means:
- (i) in the Master Policy, the Institute and Former Conveyancers;
  - (ii) in the Contract of Insurance, the parties referred to in Section 1 clause 1 where the context requires any one or more of the parties referred to therein.

End of Policy Wording.

