

SWISS RE INTERNATIONAL SE – AUSTRALIA BRANCH

COMMERCIAL CRIME INSURANCE

Important Notices

Understanding the Policy

You should read the entire **Policy** carefully, including the definitions and the exclusions to ensure that it meets your requirements. We recommend that you consult an insurance adviser to ensure a clear understanding of your rights and obligations under this insurance contract.

Loss Discovered and Claims Made and Notified Policy

This is a **Loss Discovered** and claims made and notified **Policy**. We shall only cover you for:

- **Loss** sustained prior to the **Expiry Date** of the **Policy** and notified to us as soon as reasonably practicable during the **Policy Period** or any applicable **Extended Discovery Period**; or
- claims made against you arising from circumstances that occurred prior to the **Expiry Date** of the **Policy** and notified to us as soon as practicable during the **Policy Period** or any applicable **Extended Discovery Period**.

Your duty of disclosure

When you are completing the **Proposal** it is important that you understand you are answering questions for yourself and anyone else that you want to be covered by the **Policy**.

Before you enter into the **Policy**, you have a duty to tell us anything that you know, or could reasonably be expected to know, which 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 the **Policy**.

You do not need to tell us anything that:

- reduces the risk we insure you for;
- is common knowledge;
- 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 shall pay you if you notify a **Loss** or claim under the **Policy**, or both.

If your failure to tell us is fraudulent, we may refuse to pay a **Loss** or other amount insured under the **Policy** and treat the contract as if it never existed.

Notification of Facts that might give rise to a claim

Section 40(3) of the *Insurance Contracts Act 1984* (Cth) provides that if you give notice in writing to us of facts that might give rise to any demand, claim, suit or legal proceeding against you as soon as reasonably practicable after you become aware of such facts but before the insurance cover provided by the **Policy** expires, then we are not relieved of liability under the **Policy** in respect of the demand, claim, suit or legal proceeding when made, by reason only that it was made after the expiration of the period of the insurance cover provided by the **Policy**.

Privacy Statement - Privacy Information

We are bound by the Australian Privacy Principles set out under the *Privacy Act 1988* (Cth) when we collect and handle your personal and or sensitive information. We shall only collect personal and or sensitive information that is necessary in order for us to process and administer the **Policy** and any notifications made under the **Policy**. Where possible, we shall collect personal information directly from you or, where that is not reasonably practical, from other sources. We may also use your personal and or sensitive information for the purpose of designing or underwriting new insurance products, for research and analytical purposes, to perform administrative functions, and to comply with our legal obligations.

We may disclose your personal and or sensitive information to third parties for the purposes described above, including insurers, reinsurers, reinsurance brokers, loss adjusters, external claims data collectors, investigators and others involved in the notification and claims handling process, agents and service providers and related entities some of whom may be located in overseas countries, including Hong Kong, India, Singapore, Switzerland, the United States of America and the Slovak Republic.

In providing personal and or sensitive information, you consent to the collection, use and disclosure, including overseas disclosure, of your personal and or sensitive information for the purposes described above. Where you provide us with personal and or sensitive information about others, you represent to us that you have made them aware of that disclosure and of our privacy **Policy** and that you have obtained their consent.

If you do not consent to provide us with the personal and or sensitive information that we request, or withdraw your consent to the use and disclosure of your personal and or sensitive information at any stage, we may not be able to offer or continue to offer you the products or provide the services that you seek including assessment and handling of notifications and other matters arising under the **Policy**.

We realise that this information is often very sensitive in nature and shall treat it with the utmost care and security. Information on how we handle your personal and or sensitive information is explained in our privacy **Policy** including:

- What information we collect and how we use it;
- When do we disclose your information overseas;
- How do we hold and protect your information;
- How we disclose the information;

- How you can check, update or change the information we are holding;
- What happens if you wish to complain.

A copy of our privacy policy is available by contacting your broker or available on our website:

corporatesolutions.swissre.com/australia-newzealand

Contact Details

You may seek access to, and correction of, your personal information we hold about you by contacting our Privacy Compliance Officer on (02) 8295 9500 or by writing to:

Privacy Compliance Officer
Swiss Re International SE Australia Branch
Level 36, Tower Two, International Towers Sydney
200 Barangaroo Avenue, Sydney NSW 2000
Email: complaints_anz@swissre.com

We will respond to your request within a reasonable time after we receive it.

Complaint & Dispute Resolution Process

We have Complaints Handling and Dispute Resolution processes in place. We aim to respond to a complaint or to a dispute within 15 business days once we have all necessary information and have completed any investigation that may be needed.

If we cannot respond within 15 business days, we will let you know as soon as practicable within the 15 business day time frame, and nominate a reasonable alternative time. When doing this we will attempt where possible to meet any reasonable time requirements you express.

We will keep you informed about the progress of your complaint or dispute every 10 business days until we have responded to you on it.

Should you wish to make a complaint, you can contact our Complaints Officer on (02) 8295 9500 or by writing to:

The Complaints Manager
Swiss Re International SE, Australia Branch
Level 36, Tower Two, International Towers Sydney
200 Barangaroo Avenue, Sydney NSW 2000
Email: complaints_anz@swissre.com

If you feel our response does not resolve your complaint you may tell us and ask us to treat it as a dispute. It will then be independently reviewed by our Internal Dispute Resolution Panel comprising employees with appropriate experience, knowledge and authority who have not been involved in the matter before.

The General Insurance Code of Practice

We abide by the General Insurance Code of Practice (Code). The Terms of the Code require us to be open, fair and honest in our dealings with you. The Code outlines the standards by which we have agreed to deal with you in relation to the standards for our employees, authorised representatives, financial hardship, information and education and access to information. The Code aims to:

- Commit us to high standards of service.
- Promote more informed relations between you and us.
- Promote trust and confidence in the insurance industry.

SCHEDULE

1. **Policy Number:** <Insert>
2. **Policyholder:** <Company Name>
<Company Number>
3. **Inception Date:** 4.00pm. Local Standard Time, <Date> at the **Policyholder's** principal place of business
4. **Expiry Date:** 4.00pm Local Standard Time, <Date> at the **Policyholder's** principal place of business
5. **Retroactive Date:** <Unlimited> / <Date>
6. **Limit of Liability:** <[\$Amount]> each and every **Loss**
7. **Sub-limits of Liability:**

Section 2: Extensions		Included / Not Included
2.1	Recovery Costs	Included
2.2	Computer Systems Reinstatement Costs	<Not Included> / <[\$Amount]>
2.3	Contractual Penalties	<Not Included> / <[%]> of the Limit of Liability
2.4	Care Custody and Control	<Not Included> / <[\$Amount]>
2.5	Legal Fees	<Not Included> / <[%]> of the Limit of Liability
2.6	Automatic Cover for New Subsidiaries	<Included> / <Not Included>
2.7	Run off Cover for Prior Subsidiaries	<Included> / <Not Included>
2.8	Extended Discovery Period	<Included> / <Not Included>
2.9	Public Relations and Reputation Costs	<Not Included> / <[\$Amount]>
2.10	Investigative Specialist Costs	<Not Included> / <[\$Amount]>
2.11	Interest	<Not Included> / <[%]> of the Limit of Liability
2.12	Financial Interest in Covered Entities	<Included> / <Not Included>

Section 3: Optional Extensions		Included / Not Included
3.1	Social Engineering Fraud	<Not Included> / <[\$Amount]> in the aggregate for all Loss
3.2	Erroneous Funds Transfer Fraud	<Not Included> / <[\$Amount]>
3.3	Corporate Card Fraud	<Not Included> / <[\$Amount]>

8. **Retentions:**

Section 1: Insuring Clauses		
1.1	Employee Fidelity	<[\$Amount]>
1.2	Loss from Premises	<[\$Amount]>
1.3	Loss in Transit	<[\$Amount]>
1.4	Forgery and Securities Fraud	<[\$Amount]>
1.5	Counterfeit Currency	<[\$Amount]>
1.6	Electronic Fraud	<[\$Amount]>
Section 2: Extensions		
2.1	Recovery Costs	<[\$Amount]>
2.2	Computer Systems Reinstatement Costs	<[\$Amount]>
2.3	Contractual Penalties	<[\$Amount]>
2.4	Care Custody and Control	<[\$Amount]>
2.5	Legal Fees	<[\$Amount]>
2.6	Automatic Cover for New Subsidiaries	<[\$Amount]>
2.7	Run off Cover for Prior Subsidiaries	<[\$Amount]>
2.8	Extended Discovery Period	<[\$Amount]>
2.9	Public Relations and Reputation Costs	<[\$Amount]>
2.10	Investigative Specialist Costs	<[\$Amount]>

2.11	Interest	<[\$Amount]>
2.12	Financial Interest in Covered Entities	<[\$Amount]>
Section 3: Optional Extensions		
3.1	Social Engineering Fraud	<Not Included> / <[\$Amount]>
3.2	Erroneous Funds Transfer Fraud	<Not Included> / <[\$Amount]>
3.3	Corporate Card Fraud	<Not Included> / <[\$Amount]>

9. **Jurisdictional Cover:** <World Wide Excluding United States of America its territories and protectorates>
10. **Currency:** <AUD unless otherwise specified>
11. **Premium:** As Agreed

Signed for and on behalf of the **Insurer**

Issue Date: 11 February 2020

Authorised **Employee**

Authorised **Employee**

COMMERCIAL CRIME INSURANCE POLICY

TABLE OF CONTENTS

SECTION 1: INSURING CLAUSES	10
1.1 EMPLOYEE FIDELITY	10
1.2 LOSS FROM PREMISES	10
1.3 LOSS IN TRANSIT	10
1.4 FORGERY AND SECURITIES FRAUD.....	10
1.5 COUNTERFEIT CURRENCY.....	11
1.6 ELECTRONIC FRAUD.....	11
SECTION 2: EXTENSIONS	11
2.1 RECOVERY COSTS.....	11
2.2 COMPUTER SYSTEM REINSTATEMENT COSTS	11
2.3 CONTRACTUAL PENALTIES.....	11
2.4 CARE, CUSTODY AND CONTROL.....	11
2.5 LEGAL FEES.....	12
2.6 AUTOMATIC COVER FOR NEW SUBSIDIARIES	12
2.7 RUN OFF COVER FOR PRIOR SUBSIDIARIES.....	12
2.8 EXTENDED DISCOVERY PERIOD	12
2.9 PUBLIC RELATIONS AND REPUTATION COSTS	13
2.10 INVESTIGATIVE SPECIALIST COSTS	13
2.11 INTEREST	13
2.12 FINANCIAL INTEREST IN COVERED ENTITIES	13
SECTION 3: OPTIONAL EXTENSIONS	13
3.1 SOCIAL ENGINEERING FRAUD	14
3.2 ERRONEOUS FUNDS TRANSFER FRAUD.....	14
3.3 CORPORATE CARD FRAUD.....	14
SECTION 4: EXCLUSIONS	14
4.1 PRIOR OR PENDING MATTERS.....	14
4.2 CONSEQUENTIAL LOSS.....	14
4.3 PERSONAL CONTROL	15
4.4 KNOWN DISHONESTY OR EVENT	15
4.5 NON PAYMENT OF DEBT.....	15
4.6 CERTAIN DOCUMENTS	15
4.7 CONFIDENTIAL INFORMATION	15
4.8 EXTORTION OR KIDNAP AND RANSOM	15
4.9 TRADING.....	15
4.10 AUTHORISED ACCESS TO COMPUTER SYSTEM.....	15
4.11 SOFTWARE AND HARDWARE DEFECTS.....	16
4.12 CERTAIN MONEY, SECURITIES OR PROPERTY.....	16
4.13 UNINSURABLE AMOUNTS	16
4.14 WAR AND TERRORISM	16
4.15 SURRENDER.....	17
4.16 RADIOACTIVE CONTAMINATION.....	17

SECTION 5: CLAIMS CONDITIONS	17
5.1 REPORTING AND NOTICE	17
5.2 DEFENCE AND SETTLEMENT	18
5.3 ALLOCATION	18
5.4 RECOVERY COSTS.....	18
THE INSURER IN ITS DISCRETION MAY TAKE OVER THE CONDUCT OF ANY RECOVERY ACTION AT ANYTIME.....	19
SECTION 6: GENERAL CONDITIONS	19
6.1 LIMIT OF LIABILITY	19
6.2 RETENTIONS.....	19
6.3 OTHER INSURANCE	19
6.4 SUBROGATION	19
6.5 RECOVERIES.....	20
6.6 ALTERATION TO RISK	20
6.7 JOINT INSUREDS.....	20
6.8 JURISDICTIONAL COVER	20
6.9 CURRENCY.....	21
6.10 THIRD PARTY INTERESTS	21
6.11 AUTHORISATION.....	21
6.12 PREMIUM	21
6.13 CANCELLATION.....	21
6.14 GOVERNING LAW.....	22
6.15 POLICY CONSTRUCTION AND INTERPRETATION	22
6.16 ELECTRONIC COMMUNICATIONS	22
6.17 CONFIDENTIALITY	22
6.18 BASIS OF VALUATION	22
SECTION 7: DEFINITIONS	23

PREAMBLE

Subject to payment of the **Premium**, and subject to all the provisions of the **Policy**, and in reliance upon the disclosures made in the **Proposal**, the **Insured** and the **Insurer** agree as follows:

SECTION 1: INSURING CLAUSES

The cover under Section 1 is provided solely with respect to **Loss** sustained prior to the **Expiry Date**; and first **Discovered** during the **Policy Period** or any applicable **Extended Discovery Period**; and notified to the **Insurer** in accordance with the requirements of the **Policy**.

1.1 Employee Fidelity

The **Insurer** shall pay for **Loss** sustained by the **Insured** directly resulting from any dishonest, fraudulent, criminal or malicious act of any **Employee**, whether committed alone or in collusion with others, with the principal intent of causing the **Insured** to sustain such **Loss** or obtaining an improper financial gain for themselves or any other person or organisation.

1.2 Loss from Premises

The **Insurer** shall pay for **Loss** sustained by the **Insured** directly resulting from:

- (a) **Theft from Premises of Money, Securities or Property** belonging to the **Insured**;
- (b) **Office and Contents Loss or Damage** at the **Premises**; or
- (c) **Theft**, or the unexplained disappearance or destruction of **Money, Securities or Property** from a **Safe**.

1.3 Loss in Transit

The **Insurer** shall pay for **Loss** sustained by the **Insured** directly resulting from **Theft of Money, Securities or Property** belonging to the **Insured** whilst in **Transit**.

1.4 Forgery and Securities Fraud

- (a) The **Insurer** shall pay for **Loss** sustained by the **Insured**, directly resulting from a **Fraudulent Alteration** on:
 - (i) any **Cheque** drawn in the name of the **Insured** payable to a fictitious payee and endorsed in the name of the fictitious payee;
 - (ii) any **Cheque** procured in a face to face transaction with an **Employee**, or employee of a **Financial Institution**, as a result of a **Third Party** impersonating another person; and

(iii) any **Cheque** or payroll order drawn in the name of the **Insured** payable to bearer and a named payee and endorsed to anyone other than the named payee without the authority of the payee;

(b) The **Insurer** shall pay for **Loss** sustained by the **Insured**, directly resulting from the **Insured** or any **Financial Institution** acting on behalf of the **Insured** having acted or relied upon any **Security** which is **Counterfeit** or which has been the subject of a **Fraudulent Alteration**.

1.5 **Counterfeit Currency**

The **Insurer** shall pay for **Loss** sustained by the **Insured** directly resulting from the receipt by the **Insured** in good faith and in the ordinary course of business of counterfeit currency from a **Third Party**.

1.6 **Electronic Fraud**

The **Insurer** shall pay for **Loss** sustained by the **Insured** directly resulting from **Theft** by a **Third Party** of **Money** or **Securities** held by a **Financial Institution** committed by the **Third Party's** unauthorised access to the **Computer System** of the **Insured**.

SECTION 2: EXTENSIONS

The cover under Section 2 is provided solely with respect to **Loss** sustained prior to the **Expiry Date**; and first **Discovered** during the **Policy Period** or any applicable **Extended Discovery Period**; and notified to the **Insurer** in accordance with the requirements of the **Policy**.

2.1 **Recovery Costs**

The **Insurer** shall pay for, or on behalf of, the **Insured**, **Recovery Costs** directly resulting from a **Loss** covered under the **Policy**.

2.2 **Computer System Reinstatement Costs**

The **Insurer** shall pay for, or on behalf of, the **Insured**, **Computer System Reinstatement Costs** directly resulting from **Loss** covered under Insuring Clause 1.1 – Employee Fidelity or 1.6 – Electronic Fraud.

2.3 **Contractual Penalties**

The **Insurer** shall pay for, or on behalf of, the **Insured**, any contractual penalty assumed by and enforced against the **Insured** under a written contract, directly resulting from a **Loss** covered under the **Policy**.

The cover provided under this Extension is limited to such penalty provided by contract which represents a genuine pre-estimate of **Loss** by a **Third Party** and does not include punitive, exemplary or similar damages.

2.4 **Care, Custody and Control**

The **Insurer** shall pay for, or on behalf of, the **Insured**, **Loss** resulting directly from **Theft of Money, Securities or Property** belonging to a **Third Party** which is in the care, custody and control of the **Insured** at the time the **Loss** is sustained and for which the **Insured** is liable.

2.5 **Legal Fees**

The **Insurer** shall pay for, or on behalf of, the **Insured**, reasonable legal fees and expenses incurred by the **Insured** in defence of any demand, claim, suit or legal proceeding directly resulting from a **Loss** covered under the **Policy**.

2.6 **Automatic Cover for New Subsidiaries**

If, during the **Policy Period**, the **Insured** acquires voting rights in another entity or creates another entity which as a result of such acquisition or creation becomes a **Subsidiary**, then, subject to the provisions of the **Policy** including the provisions of this Extension, such entity and its **Insured** shall be covered under the **Policy** solely for **Loss** sustained after such acquisition or creation.

If the total gross annual revenue of the entity at the date of acquisition or creation does not exceed fifteen per cent (15%) of the total gross annual revenue of the **Insured** stated in the annual report preceding the **Inception Date**, cover shall be provided until the **Expiry Date**.

Coverage otherwise afforded under this Extension for such acquisition or creation shall terminate ninety (90) days after the effective date of such acquisition or creation, or at the **Expiry Date**, whichever is earlier, unless the **Insured** agrees to and pays any additional premium and agrees to any additional terms and conditions of the **Policy** as determined by the **Insurer**.

2.7 **Run off Cover for Prior Subsidiaries**

If, during the **Policy Period**, a **Subsidiary** ceases to be a **Subsidiary** of the **Insured**, then coverage under the **Policy** shall continue to apply in full force and effect until the **Expiry Date** or the end of any applicable **Extended Discovery Period** with respect to **Loss** which was sustained, or allegedly sustained, whilst the **Entity** was a **Subsidiary** and before it ceased to be a **Subsidiary**.

2.8 **Extended Discovery Period**

The **Insurer** agrees that the **Insured** may notify a claim for **Loss** or claim for any other amount covered under the **Policy** during the **Policy Period** or within ninety (90) days after the **Expiry Date**; provided that the **Loss** was first **Discovered** before the **Expiry Date**.

If the **Policy** is neither renewed nor replaced, the **Insured** shall be entitled, upon payment of the additional premium amount described below, to an **Extended Discovery Period**. The additional premium amount for one year shall be one hundred (100%) per cent of the previous annual **Premium**.

The rights available pursuant to this Extension shall terminate unless written notice by any **Insured** of election of an **Extended Discovery Period**, together with the additional premium due, is received by the **Insurer** no later than thirty (30) days after the **Expiry Date**.

2.9 **Public Relations and Reputation Costs**

The **Insurer** shall pay for, or on behalf of, the **Insured**, **Public Relations and Reputation Protection Expenses** incurred in respect of a **Loss** covered under the **Policy**.

2.10 **Investigative Specialist Costs**

The **Insurer** shall pay for, or on behalf of, the **Insured**, the costs and expenses of an **Investigative Specialist** to investigate and report on covered or potentially covered **Loss**. The **Insurer** shall not be bound by the findings of any such report.

2.11 **Interest**

The **Insurer** shall pay for, or on behalf of, the **Insured**, interest which would have been earned, or which becomes payable by the **Insured** resulting directly from **Loss** covered under the **Policy**.

The liability of the **Insurer** for interest receivable or payable shall be calculated on the RBA Cash Rate published in Australian Financial Review at the close of business preceding the day of sustaining such **Loss** or **Discovery** of such **Loss**.

2.12 **Financial Interest in Covered Entities**

The **Insurer** shall make best efforts to reimburse the **Policyholder** for its **Financial Interest** if the **Policyholder** has suffered loss due to the **Insurer** being prevented from making a payment under the **Policy** to an **Insured** solely because the **Insured's** claim under the **Policy** has been brought in a **Non-Admitted Jurisdiction**. This is provided that:

- (a) matters known to the **Insured** are deemed to be known to the **Policyholder**;
- (b) the **Policyholder** and the **Insured** comply with all the provisions and requirements of the **Policy**; and
- (c) the total reimbursed under this Extension shall be calculated as the equivalent of the payment the **Insurer** had been prevented from paying to the **Insured** and shall fully release the **Insurer** from any further payments of such amounts.

SECTION 3: OPTIONAL EXTENSIONS

The cover under Section 3 is provided solely with respect to **Loss** sustained prior to the **Expiry Date**; and first **Discovered** during the **Policy Period** or any applicable **Extended**

Discovery Period; and notified to the **Insurer** in accordance with the requirements of the **Policy**.

3.1 **Social Engineering Fraud**

Notwithstanding Exclusion 4.15 – Surrender, the **Insurer** shall pay for, or on behalf of the **Insured**, **Loss** sustained by the **Insured** directly resulting from any impersonation of an authorised signatory of the **Insured** by a **Third Party** which is intended to, and does, deceive any other **Employee** or director of the **Insured** to transfer **Money** to an unauthorised **Third Party**.

3.2 **Erroneous Funds Transfer Fraud**

The **Insurer** shall pay for, or on behalf of the **Insured**, **Loss** sustained by the **Insured** directly resulting from the transfer of **Money** or **Securities** by electronic means to a **Third Party** by a **Financial Institution** acting on instructions issued erroneously by the **Insured**.

The **Insured** shall promptly make all reasonable efforts to recover the **Money** or **Securities** upon **Discovery** of such **Loss**, and the **Insurer** shall not be obligated to make payment until all reasonable avenues of recourse have been exhausted.

3.3 **Corporate Card Fraud**

The **Insurer** shall pay for, or on behalf of the **Insured**, **Loss** sustained by the **Insured** directly resulting from the fraudulent use by a **Third Party** of any corporate credit, debit or charge card issued to the **Insured** for business purposes, provided that all conditions of use or other terms under which the card was issued have been complied with and the **Insured** is legally liable for the **Loss**.

SECTION 4: EXCLUSIONS

No cover shall be provided under the **Policy** for, arising out of, or in any way connected with:

4.1 **Prior or Pending Matters**

- (a) **Loss Discovered** prior to the **Inception Date**; or
- (b) **Loss** resulting from any act or event or series of acts, errors or omissions committed, or alleged to have been committed, prior to the **Retroactive Date**.

4.2 **Consequential Loss**

Indirect or consequential loss of any kind except as provided for under Section 2 – Extensions or Section 3 – Optional Extensions.

Indirect or consequential loss includes but is not limited to salaries, wages, allowances, travel or accommodation expenses of any **Employee**, loss or diminution in profit or income, cost of overheads or administrative costs of the **Insured** of any kind.

4.3 **Personal Control**

Loss resulting from any dishonest, fraudulent, criminal or malicious act of any person who controls more than five per cent (5%) of the voting share capital of the **Insured** at the time of committing any such act.

4.4 **Known Dishonesty or Event**

Known **Loss** after it has been **Discovered**.

4.5 **Non Payment of Debt**

Loss resulting from the non-payment of any debt or obligation.

4.6 **Certain Documents**

Loss resulting from any items which are or purport to be travellers cheques, letters of credit, bills of lading, shipping documents, warehouse receipts, trust receipts, accounts receivable, or any other bill, document or receipt similar in nature or effect or serving a similar purpose, except to the extent that such **Loss** is covered by Insuring Clause 1.1 – Employee Fidelity.

4.7 **Confidential Information**

Loss resulting from the misuse of any confidential information, including but not limited to trade secrets, computer programs, customer information, patents, trademarks, copyrights or processing methods, except to the extent that any such confidential information is used to support or facilitate the commission of an act causing a **Loss** covered under the **Policy**.

4.8 **Extortion or Kidnap and Ransom**

Loss resulting from extortion, kidnap and ransom.

4.9 **Trading**

Loss resulting from **Trading** unless the **Insured** establishes proof that the **Loss** directly results from the dishonest, fraudulent, criminal or malicious act of an **Employee**, whether committed alone or in collusion with others with the intention to make an improper financial gain for themselves, or any other person or organisation.

Improper financial gain does not include salaries, wages, allowances, fees, commissions, awards, bonuses or other similar remuneration.

4.10 **Authorised Access to Computer System**

Loss resulting from:

- (a) the fraudulent or malicious input of **Electronic Data** into the **Computer System** of the **Insured**; or

- (b) fraudulent or malicious modification, corruption, deletion or destruction of **Electronic Data** or **Software Programs** within the **Insured Computer System** of the **Insured**, by any person who had authorised access to the **Computer System**,

unless such person:

- (a) improperly obtained access beyond the level for which they had been authorised;
- (b) used such access for purposes other than those for which they were authorised; or
- (c) to the extent such **Loss** is covered under Insuring Clause 1.1 - Employee Fidelity.

4.11 **Software and Hardware Defects**

Loss resulting from any failure, faulty construction, error in design, latent defect, electrical disturbance, breakdown, malfunction or errors in processing or programming within a **Software Program** or within the **Computer System** of the **Insured**.

4.12 **Certain Money, Securities or Property**

Loss of or damage to any **Money, Securities or Property**;

- (a) by reason of wear, tear, gradual deterioration, moth or vermin, or
- (b) whilst in the custody of any postal service.

4.13 **Uninsurable Amounts**

Amounts which are uninsurable at law.

4.14 **War and Terrorism**

- (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, martial law, riot, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition of or damage to property by or under the power of any government or public local authority; or
- (b) any actual or threatened act of terrorism including but not limited to the use of force or violence or the threat thereof, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to influence any government or to put the public, or any section of the public, in fear or any action taken to control, prevent or suppress any act of terrorism.

4.15 **Surrender**

Loss resulting from the surrender or giving by an **Employee** or director of **Money, Securities or Property**, whether by deception or otherwise.

4.16 **Radioactive Contamination**

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel, weapon, medical isotope, waste from the combustion of nuclear fuel or other material whether occurring naturally or otherwise;
- (b) the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof; or
- (c) the storage, transport, assembly, disassembly, maintenance or operation of any nuclear weapon or nuclear component thereof.

SECTION 5: CLAIMS CONDITIONS

5.1 **Reporting and Notice**

As soon as reasonably practicable during the **Policy Period** or any applicable **Extended Discovery Period**, and in no event later than sixty (60) days after **Loss** is first **Discovered**, the **Insured** shall give written notice to the **Insurer** of any **Loss**. Such notice shall be provided irrespective of whether or not any potential or actual amount payable under the **Policy** may fall within the **Retention**.

Notice of any claim for any other amount covered under the **Policy** must be given as soon as reasonably practicable during the **Policy Period** or any applicable **Extended Discovery Period**.

All such notices shall include, but not be limited to, the following:

- (a) a detailed description of the subject matter giving rise to the claim for **Loss** or any other amount covered under the **Policy**;
- (b) the nature of the alleged **Loss**;
- (c) the manner in which the **Insured** first became aware of the matters giving rise to the notification including the date of **Discovery**; and
- (d) a copy of any other insurance **Policy** that may be applicable.

Notice and all information shall be sent in writing to:

The Claims Manager

Swiss Re International SE Australia Branch

Tower Two International Towers

Level 36, 200 Barangaroo Avenue,

Sydney, NSW 2000, Australia

Email: ClaimsANZ_CorporateSolutions@swissre.com

The **Insured** shall keep the **Insurer** fully informed as regards all developments relating to such **Loss** or claim for any other amount covered under the **Policy** as soon as reasonably practicable.

5.2 **Defence and Settlement**

The **Insured** agrees not to settle any claim, incur any costs or expenses, make any admission, offer or pay or otherwise assume any contractual obligation with respect to any claim without the **Insurer's** prior written consent, such consent not to be unreasonably withheld or delayed. The **Insurer** will not be liable for any claim, settlement, costs and expenses, admission, offer or payment, assumed obligation or claim for any other matter covered under the **Policy** to which it has not consented. The **Insurer** shall be entitled to associate with any **Insured** in the defence and negotiation of any settlement of any claim.

The **Insured** shall have the obligation to defend and contest any claim made against them.

The **Insured** agrees to and shall render all reasonable assistance to and fully cooperate with the **Insurer** in the investigation, defence, settlement, or appeal of a **Loss**, circumstance, or claim for any other amount covered under the **Policy**, and provide the **Insurer** with all relevant information pertaining to those matters as the **Insurer** may reasonably require. In the event of any **Loss**, the **Insured** shall take reasonable steps to minimise or reduce any **Loss**.

5.3 **Allocation**

If a **Loss**, claim or any other matter is partially covered under the **Policy**, the **Insured** and the **Insurer** shall use their best efforts to agree upon a fair and proper allocation between such covered matters and not-covered matters based upon the relative legal and financial exposures and the relative benefits obtained by the parties.

If the **Insurer** and the **Insured** cannot agree on allocation within thirty (30) days of any allocation issue first notified in writing to the **Insured** by the **Insurer**, they agree to refer the determination to a **Senior Counsel**. The **Senior Counsel** is to determine the fair and proper allocation as an expert not an arbitrator. The **Insured** and the **Insurer** shall be entitled to make written submissions to **Senior Counsel**. The **Senior Counsel** is to take account of the parties' submissions, but the **Senior Counsel** is not to be confined by such submissions and is to determine the fair and proper allocation in accordance with their own judgment and opinion. The **Senior Counsel's** expenses in providing such determination will be paid by the **Insurer** and any such payments will not erode the **Limit of Liability**.

Whilst a dispute as to allocation of any matter claimed under the **Policy** remains unresolved, the **Insurer** shall advance such amounts it considers to be a fair and proper allocation. The allocation finally agreed or determined shall be applied retrospectively to any amounts incurred or paid.

5.4 **Recovery Costs**

The **Insurer** shall determine the reasonableness of the **Recovery Costs** incurred by the **Insured** and in doing so shall be entitled to take into account all of the circumstances concerning the potential recovery action including but not limited to the:

- (a) amount of **Recovery Costs** incurred or to be incurred as compared to the amount of covered or potentially covered **Loss**; and
- (b) prospects of achieving a recovery of covered or potentially covered **Loss**.

The **Insurer** may refuse to pay **Recovery Costs** if the **Insurer** determines that the **Recovery Costs** incurred or to be incurred are unreasonable.

The **Insurer** in its discretion may take over the conduct of any recovery action at anytime.

SECTION 6: GENERAL CONDITIONS

6.1 Limit of Liability

The **Insurer's** maximum liability under the **Policy** for any one **Loss** will not exceed the **Limit of Liability**. Further, costs and expenses and any cover granted under any Insuring Clause, Extension, Optional Extension or Endorsement are subject to the **Limit of Liability** or **Sub-limit of Liability**. Such amounts will form part of and do not increase the **Limit of Liability** unless otherwise specifically stated in the **Policy**.

6.2 Retentions

The **Insurer** shall only be liable for any amount covered under the **Policy** in excess of the applicable **Retention**. The **Retention** shall remain uninsured.

If different parts of a **Loss**, or any other amounts covered under the **Policy**, are subject to different **Retentions**, the applicable **Retentions** will be applied separately to each part of such **Losses** for other amounts covered under the **Policy** but the sum of such **Retentions** shall not exceed the largest applicable **Retention**.

6.3 Other Insurance

The insurance provided by the **Policy** is excess over any other valid and collectible insurance, including any Crime policy, unless such other insurance is specifically written as excess insurance over the **Limit of Liability** provided by the **Policy**. The **Policy** shall specifically be excess of any other valid and collectible insurance pursuant to which any other insurer may be obligated to pay.

6.4 Subrogation

In the event of any payment under the **Policy**, the **Insurer** shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery.

The **Insured** must not do anything to prejudice the position of the **Insurer** in its actual or potential rights of recovery against another party.

Payment for **Loss of Money** or **Securities** claimed under the **Policy** shall only be made provided such amounts cannot be recovered from a **Financial Institution** after reasonable efforts have been made by the **Insured**.

6.5 **Recoveries**

Any amounts recovered by the **Insurer** or the **Insured** in connection with a payment under the **Policy** will be distributed in order of priority as follows:

- (a) firstly, in satisfaction of reasonable legal costs incurred in effecting a recovery, regardless of whether the **Insurer** or **Insured** incurred such recovery costs;
- (b) secondly, to the **Insured** for sums exceeding the **Limit of Liability**, to the extent that such sums would have otherwise been covered under the **Policy**;
- (c) thirdly, to the **Insurer** for all amounts paid by the **Insurer** under the **Policy**;
- (d) fourthly, to the **Insured** in satisfaction of the applicable **Retention**; and
- (e) lastly, to the **Insured** for any amounts in excess of the total amount paid by the **Insurer** under the **Policy**.

6.6 **Alteration to Risk**

The **Insured** shall give to the **Insurer** written notice as soon as practicable of any material alteration to the risk during the **Policy Period** including but not limited to:

- (a) the **Insured** being unable to pay its debts as and when they fall due; and
- (b) the **Insured** acquiring another organisation or being acquired by another organisation.

In the event of material alteration to the risk during the **Policy Period** the **Insurer** reserves the right to impose additional terms and conditions and to charge an additional premium.

6.7 **Joint Insureds**

Where the **Insured** comprises more than one party, information supplied to the **Insurer** shall be deemed to have been furnished by and on behalf of all such parties and any information supplied to the **Insurer** or any omission or non-disclosure in relation to any renewal or extension hereof, shall likewise be deemed to have been furnished, omitted or withheld on behalf of all such parties.

6.8 **Jurisdictional Cover**

The coverage provided under the **Policy** shall extend to any **Loss** brought in a court of law in the countries stated under **Jurisdictional Cover** and any **Loss** or **Losses** arising out of the enforcement of any judgment, order or award obtained within,

or determined pursuant to the laws of the countries stated under **Jurisdictional Cover**.

Notwithstanding anything to the contrary in the **Policy**, no cover shall be provided where to do so would constitute a breach by the **Insurer** of any applicable economic, trade or other sanction or law applicable to the **Insurer** including pursuant to the laws or regulations of Australia, the European Union, United Kingdom, Singapore or the United States or a resolution of the United Nations and the **Insurer** shall have no liability to the **Insured** to the extent that to do so would be in breach of the foregoing.

6.9 **Currency**

All **Premiums**, limits, **Retentions**, **Loss** or other amounts under the **Policy** are expressed and payable in the **Currency** stated in Item 10 of the **Schedule**. If a payment under the **Policy** is to be made in a **Currency** other than that **Currency**, then such payment shall be made at a rate of exchange as published in the Australian Financial Review on the date the obligation to pay **Loss** is established or, if not published on that date, on the date of the next publication of the Australian Financial Review.

6.10 **Third Party Interests**

No rights or interest with respect to the **Policy** can be assigned without the **Insurer's** prior written consent. The **Policy** is not intended to confer rights to any person or entity not a party to the **Policy**.

6.11 **Authorisation**

By acceptance of the **Policy**, the **Policyholder** agrees to act on behalf of each and every **Subsidiary** with respect to any matters pertaining to the **Policy**, including but not limited to the giving of notice of a **Loss**, the giving and receiving of notice of cancellation, the payment of premiums and the receiving of any return premiums that may become due under the **Policy**, and the negotiation, agreement to and acceptance of any endorsements issued to form part of the **Policy** and the exercising or declining of any rights to any applicable **Extended Discovery Period** and each of the other **Subsidiary** agree that the **Insured** shall so act on their behalf.

This Condition shall not limit the ability of any other **Insured** to provide notice of **Loss**.

6.12 **Premium**

The **Policyholder** agrees that twenty (20%) per cent of the **Premium** and any adjusted **Premium** shall be fully earned on inception and that the balance of the **Premium** shall be prorated in the event that the **Policy** is cancelled by the **Policyholder**. Further, the **Premium** shall be fully earned in the event of any notification that may give rise to any payment under the **Policy**.

6.13 **Cancellation**

In the event that any **Premium** due under the **Policy** is not received by the **Insurer** within ninety (90) days of the **Inception Date**, the **Policy** may be cancelled or avoided by the **Insurer**.

The **Policyholder** may cancel the **Policy** at any time by giving thirty (30) days written notice to the **Insurer**.

6.14 **Governing Law**

The construction, interpretation and meaning of the provisions of the **Policy** shall be determined in accordance with the law in force in the Australian State or Territory in which the **Policy** is issued. All matters relating to the construction or operation of the **Policy** shall be submitted to the exclusive jurisdiction of the courts exercising jurisdiction under the law of that State or Territory.

6.15 **Policy Construction and Interpretation**

The headings in the **Policy** are included for descriptive purposes only and do not form part of the **Policy** for the purpose of its construction or interpretation.

Under the **Policy**, where appropriate, the masculine includes the feminine, and the singular includes the plural and vice versa. For the meaning of any words in bold refer to the Schedule or to Section 7 – Definitions.

6.16 **Electronic Communications**

The **Insurer** may issue notices to the **Insured** which are required to be given pursuant to the *Insurance Contracts Act 1984* (Cth) by electronic mail or post.

6.17 **Confidentiality**

The existence and terms of the **Policy** are confidential as between the **Insured** and the **Insurer** and shall not be disclosed by the **Insured** to any person except:

- (a) to professional advisers including legal advisers and accountants;
- (b) as required by law or in accordance with an order of a court;
- (c) with the written consent of the **Insurer**.

6.18 **Basis of Valuation**

In no event shall the **Insurer** be liable for more than:

- (a) the market value of **Securities** as published in the Australian Financial Review at the close of business preceding the day on which the **Loss** was **Discovered** or the actual cost of replacing **Securities**, whichever is less;
- (b) the cost of blank material and media such as blank pages, CD Roms and tapes or other materials plus the cost of labour for the transcription or copying of **Electronic Data** furnished by the **Insured** in order to reproduce books of accounts, **Electronic Data** and other records;

- (c) the actual cash value of **Property** at the time the **Loss** was **Discovered** or the actual cost of repairing or replacing the **Property** with property of similar quality or value, whichever is less.

SECTION 7: DEFINITIONS

- 7.1 **Cheque** means a bill of exchange, drawn on a financial institution on behalf of the **Insured**, directing it to pay the sum specified on demand.
- 7.2 **Computer Systems** means computer hardware, software, firmware, and the Electronic Data stored thereon, as well as all associated input, output, processing, storage devices and communication facilities including related communication or open systems networks connected to such devices or facilities which are;
- (a) operated by and either owned by or leased to the **Insured**; or
- (b) **Outsourced** and operated by a **Third Party** service provider for the purpose of providing hosted computer application services to the **Insured** for processing, maintaining, hosting or storing the **Electronic Data**.
- 7.3 **Computer Systems Reinstatement Cost** means the costs incurred by the **Insured** to reinstate, reproduce or recover **Electronic Data**, **Software Programs** or **Computer Systems**.
- 7.4 **Counterfeit** means the imitation of any authentic **Security** by an unauthorised **Third Party** such that an **Employee** is deceived on the basis of the quality of the imitation to believe that it is the genuine **Security**.
- 7.5 **Discovered or Discovery** means the moment in time when the chief executive officer, chief financial officer, general counsel, risk manager, human resources manager or any equivalent executive of any **Insured** becomes aware of a **Loss** of a type covered under the **Policy**, even if the exact amount or details of **Loss** may not then be known.
- 7.6 **Electronic Data** means facts or information which has been converted to a form, including a code, usable in a **Computer System**.
- 7.7 **Employee** means any natural person employed under a contract or apprenticeship with the **Insured** and includes full-time, part-time, seasonal and temporary employees and agency staff under the direction and control of the **Insured**.
- 7.8 **Extended Discovery Period** means the period of maximum twelve (12) months following the **Policy Period** during which the **Insured** may give notice of **Discovery** of a **Loss** sustained prior to the **Expiry Date**.
- 7.9 **Financial Institution** means any bank including merchant, mortgage and interment banks, credit unions, finance companies, insurance or reinsurance companies, stockbrokers, investment trusts, asset management companies, fund managers or agents, savings and loan associations or any other entity recognised carrying on commodities, futures or foreign exchange trading or any other similar entity.

- 7.10 **Financial Interest** means the direct or indirect financial interest of the **Policyholder** in an **Insured**.
- 7.11 **Fraudulent Alteration** means a material alteration of a **Cheque** or **Securities** by an unauthorised **Third Party** with the intent to commit a fraudulent act.
- 7.12 **Insured** means:
- (a) the **Policyholder**;
 - (b) **Superannuation and Employee Fund**; or
 - (c) any **Subsidiary** that was a **Subsidiary** at the **Inception Date**.
- 7.13 **Insurer** means:
- Swiss Re International SE Australia Branch,
Registered Office: Tower Two International Towers,
Level 36, 200 Barangaroo Avenue,
Sydney, NSW 2000, Australia
AFSL 355088 - ABN 38 138 873 211
- 7.14 **Investigative Specialist** means a person or entity with appropriate qualifications and experience appointed by the **Insurer** to investigate and report on the circumstances of any covered or potentially covered **Loss** or any other matter covered under **the Policy**.
- 7.15 **Loss** means direct financial **Loss** sustained by the **Insured** as a result of any single act, single omission or single event, or a series of related or continuous acts or events.
- All **Loss** resulting from any unlawful, dishonest, fraudulent, criminal or malicious acts or events involving the same person, whether an **Employee** or not, or any series of connected, repeated or interrelated acts or events shall be treated as one event and one **Loss**.
- 7.16 **Money** means authentic currency, coins, bank notes or bullion.
- 7.17 **Non-Admitted Jurisdiction** means any jurisdiction that does not permit the **Insured** to be covered by the **Policy** because the **Insurer** is not registered or authorised as an insurer to do so in that jurisdiction.
- 7.18 **Office and Contents Loss or Damage** means **Loss** or damage to the **Premises**, furnishings, fixtures, equipment, stationery, supplies and safes or vaults owned by the **Insured** caused by any **Theft**.
- 7.19 **Outsourced** means the retention of a person or organisation, which was vetted by the **Insured** and considered capable of providing professional services to assist the **Insured** and does so pursuant to a written contract.
- 7.20 **Policy** means the **Schedule**, Insuring Clauses, Extensions, Conditions, Definitions, Exclusions, Endorsements and any other terms contained or incorporated herein.

- Policy** does not include any Section, Optional Extension or any other part of the **Policy** that has not been purchased by the **Insured**.
- 7.21 **Policy Period** means the period from the **Inception Date** to the **Expiry Date** or to any earlier cancellation of cover.
- 7.22 **Premises** means the interior portion of a building occupied by the **Insured** in conducting its business.
- 7.23 **Premium** means the amount of money that the **Policyholder** must pay the **Insurer** for the **Policy**. The **Premium** shall include any premium adjustments required to be paid to the **Insurer**.
- 7.24 **Property** means physical property other than **Money** or **Securities**.
- 7.25 **Proposal** means any proposal form completed and signed for the **Policy** or for any other policy issued by the **Insurer** for which the **Policy** is a replacement or renewal (including any attachments thereto) and any information and statements or materials requested by the **Insurer** or supplied to the **Insurer** by or on behalf of the **Insured** included therewith or incorporated therein.
- 7.26 **Public Relations and Reputation Expenses** means the fees and related expenses of a public relations firm or consultant, crisis management firm or law firm which the **Insured** may engage in order:
- (a) to prevent or limit adverse effects of any negative publicity which has arisen from any **Loss**; or
 - (b) to disseminate the findings of a final adjudication in favour of the **Insured** arising from a **Loss** in which there has been negative publicity.
- 7.27 **Recovery Costs** means the legal fees and expenses incurred by the **Insured** in assessing and pursuing a recovery of a **Loss** covered under the **Policy**.
- 7.28 **Safe** means any locked safe or vault located within the **Premises**.
- 7.29 **Schedule** means the Schedule attached to the **Policy** and signed by two people authorised by the **Insurer**.
- 7.30 **Securities** means all negotiable and non-negotiable instruments or contracts including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security representing either money or property but does not include **Money**.
- 7.31 **Senior Counsel** means a senior lawyer to be mutually agreed upon by the parties, or in the absence of agreement, to be appointed by the President/Chair of the Bar Association, Law Society or equivalent organisation in the jurisdiction in which the **Policy** is issued.
- 7.32 **Software Program** means a set of related electronic instructions usable in a **Computer System** to act upon **Electronic Data**.

- 7.33 **Subsidiary** means any entity in which the **Insured**, on or before the **Inception Date**, either directly or indirectly through one or more of its other **Subsidiaries**:
- (a) has control of the composition of the board of directors;
 - (b) has control of more than half of the shareholder or equity voting power;
 - (c) holds more than half of the issued share capital or equity; or
 - (d) exercises effective control of management, including of any joint venture.
- 7.34 **Superannuation and Employee Fund** means any superannuation fund, employee benefit scheme, share option plan, charitable fund or canteen established for the benefit of **Employees** or their beneficiaries whilst it is maintained by the **Insured**.
- 7.35 **Theft** means unlawful taking by a **Third Party**.
- 7.36 **Third Party** means any person other than an **Employee**, director, partner, broker, merchant, solicitor or accountant of the **Insured**.
- 7.37 **Trading** means dealing in shares, futures, options, currencies or commodities or similar instruments traded through a stock exchange or similar trading facility.
- 7.38 **Transit** means the carriage of the **Money, Securities** or **Property** from outside the **Premises** to a designated place by an **Employee**, or other person expressly authorised by the **Insured**.

Transit shall be deemed to begin immediately upon receipt of the carriage by the transporting persons and ceases immediately upon delivery to the designated recipient or its agent.