

Fidelity Guarantee Insurance Policy

Please read this policy in conjunction with the
Certificate of Insurance



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Ansvar Insurance – Insurance products with flexible solutions

Our history

Ansvar Insurance has been a trusted name in Australia since 1961. Owned by UK insurance company, Ecclesiastical Insurance Office plc, we enjoy substantial financial backing and are proud to meet the rigorous regulatory requirements of an insurer serving Australians.

Why insure through Ansvar Insurance?

With almost 50 years of experience in Australia we understand what customers are seeking in their insurance company: a trusted, responsible and professional organisation where you are treated with respect and care and offered choice and flexibility. Offering value for money, personal service and a demonstrated commitment to community programs explains why we are the insurer of choice for our Australia wide customers.

Developing our young Australians

We are honoured to provide support to many community organisations throughout Australia. Each organisation provides valuable support to improve and enrich the lives of Australian youth so that they may contribute positively to the community in which they live. To find out more about our grants to Community Education Program please visit our website ansvar.com.au

Our insurance advantage

Ansvar Insurance is a specialist insurance company with a deep understanding of the issues confronting our customers.

We believe in offering more than just insurance. Our dedicated staff is committed to helping clients protect their assets by providing:

- specialist insurance advice in our core markets
- flexibility in underwriting
- independent, on-site, risk management inspections and expert advice to find solutions
- risk management seminars and advice on helping clients develop their risk management programs

Who is the insurer and how can we be contacted?

Ansvar Insurance Limited, ABN 21 007 216 506, is the issuer of this insurance policy. The registered office of Ansvar Insurance is Level 18, 303 Collins Street, Melbourne, Victoria. The Ansvar Insurance Australian Financial Services Licence number is 237826.

You can contact us by:

- calling in person at any Ansvar Insurance office
- telephoning 1300 650 540
- facsimile on 03 9614 1545
- writing to any office of Ansvar Insurance
- email to insure@ansvar.com.au

Cooling off period

We will refund the entire premium you have paid for cover under this insurance policy if you cancel the policy within 21 days of its commencement. To do this, you must advise us in writing and return the insurance policy and certificate of insurance to your nearest Ansvar Insurance office.

You will **not** receive a refund if you have made a claim, or intend to make a claim, under the insurance policy.

Costs

The premium payable by you is shown in your Certificate of Insurance. The factors used to determine the premium payable under this policy include:

- the occupation, nature and size of the business;
- the nature of the assets at risk, their liquidity and value;
- the number and classification of employees;
- the security and control in the operations of the business;
- the frequency and extent of audits and other risk management in place;
- the extent of cover and any extensions required;
- the sums insured or limits of liability;
- the period of insurance (short-term/annual);
- the excess selected;
- past claims/incidents history.

The premium is payable either when the product is purchased or by direct bank debit when you elect to pay it monthly. If you elect to pay monthly there is an additional fee. A cancellation fee may apply if you cancel your insurance policy before expiry.

Premiums and fees are subject to Commonwealth and State taxes and levies which include the Goods and Services Tax and Stamp Duty, if applicable to your state. All are shown on your Certificate of Insurance.

Code of Practice and Privacy Act

As a signatory to The General Insurance Code of Practice we are committed to raising standards of service to our customers. This voluntary code sets out the minimum standards we will uphold in the services we provide to you.

The Privacy Act sets out how we are to collect, use, disclose and protect your personal information. It also describes the circumstances for you to access and, if necessary correct your personal information.

Complaints

If you are not satisfied with our service we recommend that you use the complaints procedure set out below. The type of complaint could relate to the behaviour of or advice given by an Ansvr Insurance employee or authorised representative, a decision on a claim, the privacy of your personal information or any other matter relating to your insurance that is of concern to you. These procedures are available free of charge to you.

First, contact the employee or authorised representative with whom you have had contact to see if he or she can resolve the problem. If that is not possible, then contact the Regional Manager in your state. The Regional Manager will review the information and give you a response as quickly as possible; but no later than three working days from the date when the complaint is received.

If you are not satisfied with the response given by the Regional Manager, then please either telephone or write to:

The Secretary
Internal Dispute Resolution Committee
Ansvr Insurance Limited
GPO Box 1655N Melbourne VIC 3001
PH +61 3 8630 3100
FX +61 3 9614 2740

The Secretary will refer your complaint to the Committee which comprises the CEO, Operations Manager and one of the non executive directors of Ansvr Insurance Limited, for a decision.

The Internal Dispute Resolution Committee has appropriate authority to deal with unresolved complaints. You will receive a response within seven (7) working days from the time the Internal Dispute Resolution Committee receives your unresolved complaint, or alternatively you will be asked for further information. If further information is required, you will receive a decision within seven (7) working days from the time Ansvr Insurance receives the additional information.

What if we don't resolve your problem?

Once the Internal Dispute Resolution Committee gives you an answer, we will provide you with information about external dispute resolution if that is available.

For many complaints this is the Insurance Ombudsman Service (IOS), which costs you nothing. You have three months from the date of the decision by the Internal Dispute Resolution Committee to lodge your complaint with the IOS. The IOS may be contacted by calling 1300 78 08 08 for the cost of a local call, or by writing to them at PO Box 561, Collins Street West, Melbourne 8007.

Alternatively, you may further pursue your unresolved complaint through a formal legal process such as the courts, mediation, or arbitration.

For privacy complaints you may approach the Federal Privacy Commissioner. A copy of the General Insurance Code of Practice and privacy principles can be obtained from our website ansvar.com.au or from one of our offices.

Important notices to Policyholders

It is important to read/retain the following documents and keep them in a safe and convenient place:

- this document
- your current Certificate of Insurance and endorsements attached to it

Remember to regularly review your insurance policy, particularly at renewal to ensure your insurance policy provides the cover that you currently need.

Duty of disclosure

Before you enter into an insurance contract with us, you are required to tell us every matter that is known to you, being a matter that:

- you know to be relevant to the decision by us to accept the risk and if so, on what terms; or
- a reasonable person in the circumstances could be expected to know to be a matter so relevant.

If you have not disclosed all relevant information, or if you have misinterpreted the facts, then we may be entitled to cancel the policy, reduce the sum insured, or treat the policy as never having existed.

If you do not tell us all relevant matters we can reduce the amount we pay for any claim or cancel this insurance policy. If your non disclosure is fraudulent we can void the insurance policy from the beginning.

Goods and Services Tax (GST)

This insurance policy has provision for payment of Goods and Services Tax:

- by you in relation to premiums
- by us in relation to claims

The contract between you and Ansvar Insurance

In consideration of payment of your premium, we will insure you against the events described in this insurance policy. Your insurance commences and concludes at 4.00pm local time on the dates shown in your certificate of insurance.

We only insure you for those policy sections and optional benefits that are shown on the certificate of insurance.

If the terms of this policy are not observed, cover may be reduced or cancelled.

Adjustment of premium

Where this policy or any section is arranged on an adjustable basis, you must keep accurate records and make declarations to us so that the necessary adjustment of premium may be applied, subject to us retaining our minimum premium.

Cancellation

You may cancel this insurance policy at any time by notifying us in writing. You may be required to pay a cancellation fee if you cancel the insurance policy mid-term.

We can cancel this insurance policy in accordance with the Insurance Contracts Act 1984. We will be entitled to retain premium for the period during which the insurance policy has been in force.

Changes

You must tell us as soon as possible if any significant or material changes occur to your property or liability insured, including any changes to your operations which increase the risk of loss, damage or injury.

Credit provider's rights

If a credit provider has an interest in any of your property, we may make a payment direct to the credit provider instead of to you in settlement of any claim.

Excess

Your financial contribution to each and every claim under this policy is known as the 'excess'. The excess amount that you will have to pay when you lodge a claim is shown in your certificate of insurance or in the section of the policy under which the claim is being made. If you suffer damage which leads to a claim under more than one section of this policy, the highest applicable excess is payable. The limit of liability or sum insured is reduced by the amount of the excess.

Interpretation

Where headings are used in this policy, they are purely descriptive in nature and are not intended to form any part of the context or to affect the interpretation of this policy.

Words importing the singular shall include the plural and vice versa.

Jurisdiction

This insurance policy shall be governed by and construed in accordance with the laws of Australia. Any dispute shall be resolved in accordance with the laws of Australia.

Limits of liability

We will not be liable for more than:

1. the sum insured for any one employee shown in the certificate of insurance for all losses resulting from the fraudulent or dishonest act or acts of that employee whether committed in any prior or current period of insurance.
2. the sum insured for all employees shown in the certificate of insurance in respect of all losses suffered during the period of insurance.

The limits of liability will be reduced by any excess.

Monthly instalments

You may pay your premium by monthly instalments direct from a financial institution or from your credit card. However, if any monthly instalment is dishonoured by your financial institution this policy may not operate. We may refuse to pay a claim in whole or in part if, at the date of loss, any monthly instalment has remained unpaid for at least 14 days, unless we have agreed otherwise in writing.

If you have a total loss or we settle your claim by paying the full sum insured under any section of this policy, we will deduct outstanding instalments for that section from the amount we pay you.

Should the financial institution holding your account return or dishonour a direct debit payment due to lack of funds in your account, we will charge you for any direct or indirect costs which we incur arising from the payment being returned or dishonoured.

Reasonable precautions

The Insured must take all reasonable precautions to avoid or prevent losses of the kind covered by this Policy.

Service of legal process

You may effect service of any legal process on us in connection with this policy by delivering that process by hand or by post to the address for service stated in the certificate of insurance and such service shall be deemed to be personal service upon us.

You may give any notice under this policy to us at any of our offices in Australia.

Subrogation

We will be subrogated into all your rights or remedies against any employee or any other party upon admission of liability under this policy and you shall do and take, and permit to be done in its name, all such acts, things and proceedings as we may consider necessary or require for the purpose of enforcing or exercising all or any such rights.

Territorial Limits

The insurance afforded by this policy shall only apply to loss occurring within Australia and New Zealand.

Definitions

Where used in this policy,

- business** means your business as described in the certificate of insurance carried out at and from any situation in Australia, and any other country specified in the certificate of insurance.
- certificate of insurance** means the certificate of insurance attaching to this policy or any certificate of insurance subsequently issued during the period of insurance.
- computer crime** means an act or acts of a person other than an employee leading to:
1. the theft of the Insured's –
 - a. assets under the direct or indirect control of a computer system by manipulation of computer hardware or software programmes or systems by any person to which system the Insured has not given authorised access;
 - b. funds from an account which the Insured maintains at a financial institution following fraudulent electronic, telephone or written instructions to debit, transfer or deliver funds from such account. These instructions must appear to have been given by you or someone to whom you have given authorisation but actually have been fraudulently transmitted, issued or fraudulently altered by another;
 2. the malicious, intentional and wilful use of computer network or electronic commerce services to erase, destroy, modify or corrupt data or to deny users access to the Insured's computer network or electronic commerce services.
- employee** means a person in the regular service of the Insured, within Australia and New Zealand only, whom the Insured compensates by wages, salary, fees and/or commissions and whom the Insured has the right to direct in the performance of this service and shall further include but not be limited to:
1. any voluntary or honorary worker of the Insured; and
 2. any director or trustee of the Insured while performing acts coming within the scope of the usual duties of their office or any member of any committee duly elected or appointed by the Insured to examine or audit or have custody of or access to any of the Insured's Property; and
 3. any individual assigned to perform employee duties for the Insured by any agency furnishing temporary personnel on a full or part-time basis.
- money** means only currency, current coin, bank notes, money, bullion, negotiable and non-negotiable instruments, either belonging to or in the care, physical custody or control of the Insured and for which the Insured is legally liable, other than property excluded by this Policy.

<i>period of insurance</i>	means the period shown in the certificate of insurance, during which cover is in force.
<i>property</i>	means only goods or other items either belonging to or in the care, physical custody or control of the Insured and for which the Insured is legally liable, other than property excluded by this Policy.
<i>we, us, our, insurer</i>	means Ansvar Insurance Limited, ABN 21 007 216 506, AFS Licence No 237826.
<i>you, your, insured</i>	means: <ol style="list-style-type: none"> 1. the named insured stated in the certificate of insurance resident in Australia, 2. any subsidiary company, organisation or entity under your control and over which you exercise active management, existing at the commencement date of the period of insurance; 3. any new subsidiary company, organisation or entity acquired by you during the period of insurance, through consolidation, merger, purchase of its assets or assumption of effective control, provided: <ol style="list-style-type: none"> a. such company, organisation or entity is carrying on substantially the same business as the named insured, and b. such acquisition or assumption of control is reported to us within ninety (90) days after it is effected and c. we confirm continuation of cover for such subsidiary company, organisation or entity by endorsement of this policy; 4. any <ol style="list-style-type: none"> a. social and sporting clubs; b. canteen and welfare organisations; c. first aid, fire and security services; d. residents associations; incidental to the business and provided by you or formed with your consent.

Cover

If during the Period of Insurance stated in the certificate of insurance, any Employee shall commit any fraudulent or dishonest act or acts acting alone or in collusion with others which results in loss of Property and/or Money directly resulting from such fraudulent or dishonest acts, we will, in accordance with the Basis of Settlement, pay the Insured the amount or value of such loss.

PROVIDED THAT we will not be liable under this Policy in respect of or in relation to any loss unless:

- a. the loss happens during the Period of Insurance; and
- b. the loss is discovered by the Insured not later than one year after the expiry of the Period of Insurance or not later than one year after the termination of the employment of the Employee, whichever occurs first; and
- c. the Sum Insured for any one Employee will be reduced by the total of any claims payable by the Insurer for losses resulting from the fraudulent or dishonest acts of that Employee in any period prior to the current Period of Insurance.

Additional benefits

1. Claims Preparation Costs

The Insurer will also pay for the reasonable costs of accountant's or auditor's fees incurred by the Insured with the Insurer's written consent for the preparation of claims under this Policy up to a maximum amount of \$20,000 or 10% of any claim paid, whichever is the lesser. This additional benefit is payable within the Sum Insured shown in the Schedule.

2. Unidentifiable Employee

The Insurer will pay for any loss suffered by the Insured where the Insured is unable to identify the specific Employee whose conduct has given rise to the loss provided that the Insured can prove to the Insurer's reasonable satisfaction that the loss was caused by the fraud or dishonesty of one or more Employees. This additional benefit is payable within the Sum Insured shown in the Schedule.

Basis of settlement

1. The Basis of Settlement will be:

- a. For Property other than Money the Insurer will at its option –
 - i. pay to the Insured the amount of the loss of Property; or
 - ii. reinstate or replace that Property but in so doing the Insurer will not be bound to reinstate or replace exactly and completely, but only as circumstances permit and in a reasonably sufficient manner.
- b. For Money the Insurer will pay to the Insured the amount of the Insured's loss provided that –
 - i. the Insurer will not pay more than the Sum Insured shown in the Schedule for any one Employee and for any loss that arises out of the act or acts of any one Employee acting alone or in collusion with any other person; and
 - ii. for all losses suffered during the Period of Insurance, the Insurer will not pay more than the Sum Insured shown in the Schedule.

2. Recovery

- a. For Property insured, other than Money, for which the Insurer has made payment or arranged reinstatement or replacement of any lost Property, that Property if recovered will belong to the Insurer subject to the Insured's right to reclaim it upon repayment of any amount paid by the Insurer.
- b. For Money for which the Insurer has made payment for loss, any recovery made by either the Insurer or the Insured will be first applied to any uninsured loss borne by the Insured.

Exclusions applying to this policy

We will not pay for loss under this Policy consisting of or which is due to -

1. indirect or consequential loss of any kind;
2. fines, penalties or damages including aggravated or exemplary damages for which the Insured is legally liable except for compensatory damages arising from a loss covered by this Policy;
3. the conduct of an Employee discovered later than one year after the expiry of the Period of Insurance or one year after the termination of employment of the relevant Employee, whichever occurs first;

4. loss that the Insured has discovered before the commencement of the Period of Insurance;
5. loss caused by an Employee after the Insured became aware that the Employee had committed acts of fraud or dishonesty, save that this exclusion will not apply if the person who discovers such acts is in collusion with the Employee;
6. loss resulting from Computer Crime;
7. loss resulting or arising out of any computer virus or loss caused by a mechanical failure and/or programming error;
8. loss involved in the cost of reproducing any information contained in any lost or destroyed manuscripts, records, accounts, microfilms, tapes or other records;
9. costs incurred by the Insured in connection with any legal proceedings;
10. any fraudulent claim or claims made by the Insured or any person acting on the Insured's behalf to obtain any benefit under this Policy or any loss giving rise to a claim under this Policy caused by or with the collaboration of any Insured;
11. loss arising out of a breach of duty owed in a professional capacity by the Insured;
12. loss resulting directly or indirectly from trading in securities or derivatives whether or not in the name of the Insured and whether or not in a genuine or fictitious account;
13. loss or part of a loss the proof or quantification of which depends upon any shortage revealed by an inconsistency in any accounting records, inventory computation or enumeration, comparison of inventory records with an actual physical count, or a profit and loss computation;
14. Money whilst in the custody or possession of professional money carriers, professional carriers or common carriers.

Claims procedures

Your responsibility when making a claim

Following an occurrence which may give rise to a claim, it is your responsibility to advise Ansvr Insurance by telephone or in person as soon as is reasonably possible but no later than 30 days after the occurrence and promptly provide any information we request.

A claim form may be sent to you to provide the information we require. Please complete and return this form promptly. Alternatively we may appoint a loss adjustor or investigator to make enquiries on our behalf and you should co-operate fully with any such appointee.

You are required, at your expense:

1. to take all reasonable steps to prevent further claims arising out of the same or similar conditions;
2. to use your best endeavours to preserve any documents or things which might prove necessary or useful by way of evidence in connection with any claim;

3. to take immediate steps to aid the apprehension and prosecution of any current or former employee for any criminal offence committed by that person; and if requested by the Insurer, report the matter to the appropriate authorities;
4. deliver a detailed proof of loss duly sworn to the Insurer within three (3) months after discovery of the loss;
5. at all reasonable times permit the Insurer or its agents to enquire into, investigate and examine the circumstances of the alleged loss by the Insured and the claim in respect thereof, and the Insured shall, at its own expense, upon being required so to do by the Insurer or its agents, produce all books, vouchers, correspondence, documents, receipts and all entries relating to the alleged loss in its possession or control, and shall furnish copies of these;
6. otherwise give all possible assistance as may be required by the Insurer so far as they relate to such claim or may in any way enable the Insurer or its agents to ascertain the correctness thereof or the liability of the Insurer under the Policy.

Fraudulent claims

As a protection for all insurance policy holders we will take legal action against any person who makes a fraudulent claim.

If a fraudulent claim is made we will not pay it and we will take action to recover any moneys already disbursed in respect of the claim. We will also cancel the insurance policy.

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