

# Ansvar Aged Care Management Liability Insurance

POLICY WORDING

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# About this insurance policy wording

This insurance policy wording is an important document. **You** should read it carefully before making a decision to purchase this insurance.

In conjunction with the **certificate of insurance** and any endorsements **we** issue upon acceptance of **your** proposal, it provides a full description of the terms, conditions and limitations of the insurance cover.

The financial product offered in the insurance policy wording is provided by Ansvr Insurance Limited.

The Table of Contents provides a summary of the content of the insurance policy wording. The purpose of this insurance policy wording is to assist **you** to understand **your** insurance policy and enable **you** to make an informed choice about **your** insurance requirements.

**You** will need to read the entire insurance policy wording, **certificate of insurance** for a full understanding of these terms, conditions and limitations.

This insurance policy wording was prepared in February 2026.

## CONTACT US

Ansvr Insurance Limited (Ansvr Insurance), ABN 21 007 216 506, is the issuer of this insurance policy. The registered office of Ansvr Insurance is Level 5, 1 Southbank Boulevard, Southbank, Victoria. The Ansvr Insurance Australian Financial Services Licence (AFSL) number is 237826.

Call us on 1300 650 540, email us at [insure@ansvar.com.au](mailto:insure@ansvar.com.au) or visit us at [www.ansvar.com.au](http://www.ansvar.com.au)

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# Important information

## CHANGES TO THE INSURANCE POLICY WORDING

Information in this insurance policy wording is subject to change from time to time.

Changes in **your** insurance policy wording will be communicated to **you** in several ways and these are:

- if a change will affect **you** adversely, Ansvar Insurance will issue **you** with a new insurance policy wording or a supplementary insurance policy wording prior to the renewal of the insurance each year;
- for minor changes which are not materially adverse to **you**, **we** will communicate the changes to **you** in writing at the earliest opportunity;

Information can be obtained by telephoning **our** toll free number (1300 650 540), or visiting **our** website at [www.ansvar.com.au](http://www.ansvar.com.au) to find out what changes might have occurred;

If changes have occurred, **we** will be pleased to provide **you** with a paper copy of them on request.

This insurance policy wording was prepared in February 2026.

## COMPLAINTS AND DISPUTES

If **you** are not happy with **our** products, services, handling of **your** personal information or would like to raise any concerns, please contact **us** on: Phone: 1300 650 540 or via email: [complaints@ansvar.com.au](mailto:complaints@ansvar.com.au)

Ansvar is committed to resolving any complaints in a fair, timely and effective manner.

Once **we** receive **your** complaint, **we** will acknowledge receipt within 24 hours and a member of **our** team will begin working on a resolution. **We** aim to resolve **your** complaint as quickly as possible, providing a final response within 30 calendar days after receiving all necessary information.

### Internal Dispute Resolution (IDR)

If **you** are not satisfied with the resolution or believe further review is necessary, **you** can request an internal review. **Your** complaint will go to **our** Disputes Resolution Committee.

To do so, please call **us** on 1300 650 540, send an email to [complaints@ansvar.com.au](mailto:complaints@ansvar.com.au) or send **your** written correspondence to Ansvar Disputes Resolution GPO Box 1655, Melbourne, Victoria 3001. **Our** service team will contact **you** if they require further information and will provide **you** with an outcome within 30 calendar days from when **our** Disputes Resolution Committee first received **your** complaint.

### External Dispute Resolution (EDR)

If **you** feel **your** complaint is not resolved **you** can contact the Australian Financial Complaints Authority (AFCA). AFCA provides fair, free and independent dispute resolution services for financial complaints. **You** can contact AFCA directly using the details below:

Website: [www.afca.org.au](http://www.afca.org.au)

Phone: 1800 931 678

Email: [info@afca.org.au](mailto:info@afca.org.au)

Post: AFCA Service Complaints  
Australian Financial Complaints Authority  
GPO Box 3, Melbourne, Victoria 3001

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## Important Information (continued)

### CRITICAL DOCUMENTS

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**;
- any **endorsements**.

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

### DUTIES ON INSURANCE POLICIES (INC GST)

Premiums and fees are subject to Commonwealth and State taxes and levies

Ansvar is responsible for remitting any such duties to the relevant State Revenue Office. Where a duty is payable on the premium, **you** are required to pay Ansvar both the duty and the premium for the policy.

### GENERAL INSURANCE CODE OF PRACTICE

As a signatory to the General Insurance Code of Practice (the Code) **we** are committed to raising standards of service for **our** customers. This voluntary code sets out the minimum standards for the insurance industry, and **we** are committed to upholding these standards in the services **we** provide.

For more information on the Code please visit the Insurance Council of Australia website: <https://insurancecouncil.com.au/cop/>

### PREMIUM

The premium payable under this **policy** is the amount specified in the **certificate of insurance**. The premium may be varied where the **policy** is amended, endorsed or extended, or where there is a change in the **insured** risk during the **period of insurance**.

All premiums are subject to applicable taxes, duties and statutory charges, as set out in the **certificate of insurance**. Unless otherwise agreed in writing, the premium is payable in full at inception or renewal. Where payment by instalments is agreed, additional fees may apply. A cancellation fee and premium adjustment may apply if this **policy** is cancelled prior to expiry, to the extent permitted by law.

### RETROACTIVE LIABILITY

The **policy** does not provide cover in relation to any **loss, crisis loss** or **claim** directly or indirectly arising out of, attributable to or in connection with any **wrongful act, employment practice breach** or **trustee responsibility breach** (as such terms are defined in the **policy**) which occurs prior to the **retroactive date** as shown in the **certificate of insurance** and applicable to the **insuring clause** under which cover would otherwise be available.

### SUBROGATION

The **policy** contains provisions which provide that following any payment under the **policy we** will be subrogated to **your** rights to recovery from others in respect of such payment. The provisions also provide that **you** must do everything reasonably necessary to secure and preserve such rights of subrogation and **you** must do all things reasonably practicable to avoid or diminish loss covered by the **policy**. If **you** fail to do so **we** may be entitled to refuse or reduce a payment under this **policy**, but only to the extent that **we** have been prejudiced.

### TAXES, FEES AND GST

Premiums and fees are subject to Commonwealth and State taxes and levies, including Goods and Services Tax (GST) and Stamp Duty. These amounts are shown in **your certificate of insurance**. The premium is payable when you purchase the product.

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

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

If **you** or **your** organisation are exempt from paying such charges or duties, **you** must provide formal evidence of **your** valid exemption to Ansvar at the time of application or renewal.

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## Important Information (continued)

### YOUR DUTY OF DISCLOSURE

Before entering into an insurance contract, **you** have a duty of disclosure under the Insurance Contracts Act 1984 (Cth). If **we** ask **you** questions that are relevant to **our** decision to provide insurance and on what terms, **you** must tell **us** everything **you** know, as well as what a reasonable person in **your** position would be expected to disclose.

When **we** offer to renew **your** insurance contract, **we** may provide **you** with a copy of **your** previous disclosures. **You** must review this information and tell **us** if anything has changed or confirm that there are no changes. If **you** do not notify **us** of a change, **we** will assume that the information remains accurate.

**Your** duty of disclosure continues until **we** agree to insure **you** or renew, extend, vary or reinstate **your** contract.

### YOUR PRIVACY AND THE PRIVACY ACT

**We** place the highest priority on both the service we provide and the protection of **your** privacy. **Our** Privacy Policy complies with the Australian Privacy Principles outlined in the Privacy Act 1988 (Cth)

**We** only collect personal information necessary for the functions and activities **we** undertake. This information helps **us** provide insurance products and services, manage **our** relationship with **you**, and assess and process claims.

If **you** do not wish to provide **us** with **your** personal information, **we** may not be able to supply **our** products or services to **you**.

Personal information is generally collected when **you** apply for, enquire about or renew an insurance product, or when making a claim.

**We** may also collect **your** personal information from people who are involved in a claim, or assist **us** in investigating or processing claims.

**You** can access **your** personal information by contacting any of **our** offices. If **you** have any specific questions about how your information is handled, please contact **our** Privacy Officer.

In conducting **our** business, **we** may need to disclose **your** personal information within Ansvar to **our** business partners, contractors and service providers, or other third-party suppliers (such as agents, lawyers, other insurance companies, assessors, investigators, loss adjusters, market research and mailing houses) some of which may be overseas.

**Your** personal information may be provided to them so that they can perform specialised activities for **us**. They are bound by confidentiality obligations and non-disclosure agreements, and they are prohibited from using the information for any other purpose. These service providers must comply with their obligations under the Privacy Act 1988 (Cth) and the General Insurance Code of Practice.

**Our** Privacy Policy explains in detail how **we** collect, use, disclose and protect **your** personal information as well as how **you** can access and correct it. For more information, please visit **our** website: <https://www.ansvar.com.au>

#### If you do not disclose

If **you** fail to disclose information **you** are required to provide, **we** may cancel **your** policy, reduce the amount **we** pay on a **claim**, or both.

If **your** non-disclosure is fraudulent or dishonest, **we** may refuse **your claim** and declare the contract as null and void.

### WHOLESALE POLICY ACKNOWLEDGEMENT

This **policy** is issued on a wholesale basis and no Product Disclosure Statement is required or has been provided in relation to it.

# The Policy: Management Liability Insurance

## Definitions applicable to the policy

Certain words and phrases that appear in the **policy** in **bold** have special meanings as set out below.

Where used in the **policy**:

**Aged Care Act 2024 (Cth)** means the primary legislation governing aged care services in Australia, including the Aged Care Rules 2025, and any amendments, re-enactments, replacements, or successor legislation from time to time in force

**Act of Parliament** means any Act of the Parliament of the Commonwealth of Australia or of any the States or Territories of Australia, including any subordinate or delegated legislation or regulation made thereunder and any amendment, **consolidation** or re-enactment of any of those Acts.

**aggregate limit of liability** means the maximum amount under each particular **insuring clause** or **automatic extension** as shown in the or as may be expressly stated in the **automatic extension** that **we** are liable to pay in respect of the aggregate of all liability for loss and claims the subject of cover under the respective **insuring clause** or **automatic extension**.

**aggregate policy limit** means 1.5 times the **limit of liability** applicable to **Insuring clause 1 – Directors and Officers Liability**. The **aggregate policy limit** is the maximum amount that **we** will pay under the **policy** in respect of the aggregate of all payments **we** would otherwise be liable to make under the **policy**.

**APRA** means the Australian Prudential Regulation Authority.

**associated provider** means any individual or entity who is not an **employee** or subsidiary of the **registered provider**, and who delivers funded aged care services on behalf of and in connection with the **business** operations of the **registered provider** including, but not limited to:

- a) contractors, subcontractors, or consultants;
- b) medical practitioners and allied health care professionals;
- c) agency staff; and
- d) community, cultural, religious, or support organisations;

Where such services are provided either:

- under a service agreement, subcontract, memorandum of understanding, or equivalent arrangement with **you**; or
- under **your** operational oversight or within the scope of **your** duty of care, such that **you** may be held legally liable for their acts, errors or omissions.

**auditor** means an authorised **officer** under Commonwealth, State or Territory legislation to conduct a tax audit.

**automatic extension** means the **automatic extension** listed on **your certificate of insurance** and applies to an **insuring clause** of this **policy** shown in the **certificate of insurance** with a **limit of liability** and **aggregate limit of liability** of greater than zero. **We** accept no liability under any **insuring clause** or any **automatic extension** which applies to that **insuring clause** where a zero amount or “not taken” is shown in the **limit of liability** and **aggregate limit of liability** section of the **certificate of insurance** for that **insuring clause**.

**back-pay** means the amount **you** are obliged to pay an **employee** for the period between the time of incorrect termination of the **employee's** employment and the time the **employee** is reinstated or re-employed, following an order of reinstatement or re-employment made upon **you**.

**business** means the **business**, activities or services specified in the **certificate of insurance** carried out in **your** operations from Australia.

**certificate of insurance** means the document so named attaching to the policy and any further **certificate of insurance** issued subsequently by **us**, extending or varying the **policy** showing;

- i. the selected **insuring clause/s** selected by **you** for insurance under the policy;
- ii. the **excess** applicable to each selected **insuring clause** and **automatic extension** to the selected **insuring clause**;
- iii. any special terms applicable to **your policy**;

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## The Policy: Management Liability Insurance (continued)

- iv. the **limit of liability** and the **aggregate limit of liability** applicable to each **insuring clause**;
- v. the **aggregate policy limit**; and
- vi. the premiums payable for this insurance.

**civil or bail bond expenses** means the reasonable premium (but not collateral) for a bond or other financial instrument to guarantee an **insured person's** contingent obligation for bail required by a Court hearing in respect of an **extradition proceeding**.

**claim** means:

- i. any writ, summons, application cross-claim, counter-claim or other legal or arbitral proceedings or process, or written demand seeking monetary or non-monetary relief and alleging any **wrongful act**, or **employment practice** breach;
- ii. any written notice of any proceedings, **investigation** or inquiry which may give rise to the imposition of a **penalty**;
- iii. any extradition proceeding against an **insured person**;
- iv. any criminal proceeding.

**Claim** does not mean an action solely for declaratory or injunctive relief where there is no demand for **compensation** or damages and/or the only **compensation** claimed is for legal costs.

**client** means a customer to whom the **insured** provides goods or services for a fee or not.

**compensation** means monies payable or agreed with **our** consent to be paid (including damages) by judgment, award or settlement including all charges, expenses and legal costs recoverable from **you** or an **insured person**. It does not include the costs of complying with any non-monetary relief.

**constructive dismissal** for the purposes of an **employment practices breach** means requiring an **employee** to cease their employment with **you** because of what **you** say, do or fail to do.

**contract worker** means a person engaged by **you** through a labour-hire firm, under an agreement between **you** and the labour-hire firm, to perform duties related to the conduct of **your business**.

**crisis event** means any actual or alleged event, occurrence, or circumstance involving the Insured that has resulted in, or is reasonably likely to result in, adverse media attention, public concern, or regulatory scrutiny connected with the provision of aged care or retirement living services, including but not limited to:

- a regulatory or compliance investigation under the **Aged Care Act 2024 (Cth)** or associated Quality of Care Principles;
- a whistleblower disclosure, resident abuse allegation, or systemic service failure;
- a coronial inquiry, public hearing, or government-commissioned review; or
- any incident causing widespread community concern regarding the safety, dignity, or governance of resident or **client**.

**cyber-attack** means a set of instructions that are designed to modify, alter, damage, destroy, delete, record or transmit **electronic data** without **your** authorisation including those instructions that are self-replicating or self-propagating and are designed to contaminate other computer programs or **electronic data**, consume computer resources or usurp the normal operation of internet activities causing undesired program or computer operation.

**data** means information contained in records or accounts.

**defence costs** means all reasonable costs and expenses (other than regular or overtime wages, salaries or fees of any **insured person** or **employee**) incurred by **you** or an insured person with **our** prior written consent (such consent shall not be unreasonably withheld), for:

- i. legal representation in defending, investigating, attending or monitoring any **claim** or proceedings, investigations, examinations, inquiries and the like;
- ii. any subsequent appeals, together with all reasonable costs of bringing such appeals; or
- iii. legal or professional advice or assistance incurred in the settlement of a **claim**.

However, **we** will not be liable for **defence costs** arising out of, based upon, or attributable to any investigation, inquiry, proceeding, or claim in connection with the alleged or actual underpayment of wages, salaries, superannuation, or other employment-related entitlements; or any obligation to pay **compensation**, back-pay, penalties, interest, or charges under the Fair Work Act 2009 (Cth), the Superannuation Guarantee (Administration) Act 1992 (Cth), the Corporations Act 2001 (Cth), or equivalent legislation in any jurisdiction.

**deprivation of assets expenses** means the payment of the following services, directly to the provider of such services, in the event of an interim or interlocutory order confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an **insured person** or creating a charge over real property or personal assets of the **insured person** during the **period of insurance**:

- i. housing;
- ii. utilities;
- iii. personal insurances; and
- iv. schooling.

Expenses will be payable after 30 days following the event above for a period of up to six months.

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## The Policy: Management Liability Insurance (continued)

**direct financial loss** means **loss** of **money, securities** or **property** belonging to **you** or in **your** care, custody or control, for which **you** are legally liable.

**director** means:

- i. any natural person who was, is currently or during the **period of insurance** becomes a **director** of any legal organisation included in the definition of **insured** (by whatever name called) and whether or not such person is validly appointed to occupy or duly authorised to act in such position; and
- ii. any natural person who by virtue of any applicable legislation, is deemed to be acting in such a capacity;

but does not include:

- iii. a liquidator, external auditor, receiver, receiver and manager, official manager, administrator, trustee or person administering a compromise or scheme of arrangement of **your organisation**.

**discrimination** means any actual or alleged breach of applicable State or Federal discrimination laws of Australia.

**discovered** means when any **director** (who is not in collusion with an **employee** who has committed or is attempting to commit a **dishonest act**) becomes aware of any facts which would cause a reasonable person to assume that a **direct financial loss** has been incurred, even though the exact amount or details of the **direct financial loss** are not known at the time of discovery. Such discovery constitutes discovery by **you**.

**dishonest act** means any dishonest, fraudulent, criminal or malicious act committed by an **employee** or **third party** (whether acting alone or in collusion with any other person) with the intent to cause the **insured** to sustain a **loss** or to obtain financial benefit for that **employee** or **third party** or for any other person or organisation intended by that **employee** or **third party** to receive the financial benefit.

**electronic data** means facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical **data** processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

**employee** means any natural person who is or was, at the time of any event or circumstance for which cover is provided under this Policy:

- a) employed by **you** under a contract of service or apprenticeship, whether on a full-time, part-time, casual, or temporary basis; or
- b) engaged under a work-experience, student-placement, or training scheme with **you** and who is, or was, deemed by legislation in respect of work-related injury, accident compensation, or occupational health and safety to be an **employee** of yours or a worker in relation to **you**.

**Employee** does not include any self-employed contractor, consultant, or **associated provider**.

**employment practice breach** means any actual or alleged:

- i. wrongful refusal to employ a prospective **employee**;
- ii. misleading conduct or misrepresentation in advertising the terms and conditions of a position of employment with the **insured**;
- iii. wrongful failure to promote, wrongful demotion of, wrongful deprivation of career opportunity of, negligent evaluation of work performance of, negligent reassignment or wrongful disciplinary action against an **employee**;
- iv. wrongful termination of employment of an **employee** including **constructive dismissal**;
- v. retaliatory treatment against an **employee** or a **contract worker** following an exercise of his or her rights and victimisation;
- vi. unlawful workplace harassment of an **employee** or a **contract worker** including racial, religious, sexual and other harassment as prohibited by the applicable laws of Australia or the permitting of a workplace environment which is conducive to harassment;
- vii. unlawful **discrimination** of any kind directed towards an **employee** or a prospective **employee**;
- viii. infliction of emotional distress, anguish or humiliation of any **employee**, a **contract worker** or a prospective **employee**;
- ix. oral or written publication of material that slanders, defames or libels an **employee**, a **contract worker** or unlawful interference with privacy; or
- x. denial of natural justice to an **employee** concerning their employment.

For the purpose of this definition only, the term **employee** shall include any **officer** or **volunteer**.

**endorsement** means any document so designated and issued by **us**, that amends the **policy** wording or any details specified in the **certificate of insurance**. An **endorsement** does not affect the **limit of liability**, **aggregate limit of liability** or **aggregate policy limit** or any other term of the **policy**, except to the extent expressly provided in the **endorsement**.

**excess** means the amount **you** must contribute towards each and every **claim** under the **policy** and shown in the **certificate of insurance** in respect of each **insuring clause** or **automatic extension** (as applicable and if selected by **you**).

**extended notification period** means the 30 days following immediately after the expiry of the **period of insurance** or such longer period as may apply pursuant to **automatic extension 8 or 15 or 26**.

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## The Policy: Management Liability Insurance (continued)

**extradition proceeding** means:

- i. written request for extradition of an **insured person**, a warrant for the arrest of an **insured person** or other proceedings commenced by a writ, complaint, summons or other originating process against an **insured person** under the provisions or regulations of the Extradition Act 1988 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation; and
- ii. any associated appeals, including but not limited to the pursuit of judicial review proceedings, against the decision of the Attorney General or other appropriately authorised representative of the Australian Government to issue a surrender warrant under the Extradition Act 1988 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation; and
- iii. equivalent of the above in any other jurisdiction.

**geographic limits** means the limits stated in Condition 7 – Geographic limits or as otherwise stated in the **policy**.

**identity fraud expenses** means any reasonable fees, costs and expenses incurred by **you** in establishing that a fraudulent misrepresentation has occurred, where a **third party** first seeks to enforce an agreement against **you** during the **period of insurance**.

**insured** means **you**, **your** and/or **yours** as defined below.

**insured person** means any natural person who is, was, or during the **period of Insurance** becomes:

- i. a **director**;
- ii. an **officer** (including a **responsible person** within the meaning of the **Aged Care Act 2024 (Cth)** or any legislation replacing or amending that Act);
- iii. an **employee**; or
- iv. a **trustee** of the **insured**,

but only in respect of work performed while acting in such capacity for and on behalf of the **insured**.

**insuring clause** means any of **insuring clause** 1 to 7 of the **policy** provided the **insuring clause** is selected by **you** and shown in the **certificate of insurance** with a **limit of liability** and **aggregate limit of liability** of greater than zero. **We** accept no liability to make any payment under the **policy** pursuant to or under an **insuring clause** if a zero amount or “not taken” is shown in the **limit of liability** and **aggregate limit of liability** section of the **certificate of insurance** for that **insuring clause**.

**internet activities** means all or any of the following:

- i. use of electronic mail systems by **you** and other persons working on **your** behalf;
- ii. access through **your** network to the world wide web or a public internet site by **you** and other persons working on **your** behalf;
- iii. access to **your** intranet (internal company information and computing resources which is made available through the world wide web) by customers or other persons **you** authorise outside **your** organisation; and
- iv. the operation and maintenance of an internet site owned or operated by **you** or on **your** behalf, but not any third party internet site accessed via links to or from **your** internet site.

**investigation** means an inquiry, administrative or **regulatory authority** investigation, examination or hearing commenced by an **official body**:

- i. which an **insured person** is legally compelled to attend; and
- ii. which has as its subject matter the affairs of the **insured** or the conduct of an **insured person** in that capacity, or the conduct of the **business**; and
- iii. notice of which is first served on the **insured person** and notified to **us** in the **period of insurance**.

**joint venture** means any incorporated enterprise undertaken jointly by **you** and a **third party** or parties.

**known circumstance** means any fact, situation or circumstance which **you** or any **insured person** were aware of prior to the commencement of each **period of insurance** and which a reasonable person in the circumstances would have considered might give rise to a claim covered under this **policy**.

**limit of liability** means the maximum amount for each particular **insuring clause** or **automatic extension** in the **policy** and as shown in the **certificate of insurance** or if applicable as expressly stated in the **automatic extension** that **we** are liable to pay for all liability under the respective **insuring clause** or **automatic extension** in respect of each and every **claim**.

**loss** means **compensation** for which **you** and/or an **insured person** are legally liable and **defence costs** incurred by **you** or an **insured person**.

- i. In respect of **Insuring clause 4 – Employment Practices Liability**, **loss** also includes **back-pay**;
- ii. In respect of **Insuring clause 6 – Statutory Liability**, **loss** also includes any **penalty**;
- iii. In respect of **Automatic extension 14 – Employee fidelity**, **loss** also includes **direct financial loss**.
- iv. In respect of **Automatic extension 36 – Third party fidelity**, **loss** also includes **direct financial loss**.
- v. In respect of **Automatic extension 20 – Identity fraud expenses**, **loss** also includes **identity fraud expenses**;
- vi. In respect of **Automatic extension 34 – Tax audit**, **loss** also includes **professional fees**.

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## The Policy: Management Liability Insurance (continued)

**malicious falsehood** means an intentionally false statement made to cause damage to another person's reputation.

**managed investment** has the meaning provided in the Corporations Act 2001 (Cth) as amended or replaced.

**money** means physical or electronic legally acceptable currency, current coins, bank notes, 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 bitcoins or other crypto currencies **property** excluded by this **policy**.

**non-profit organisation** means any **organisation** (but not a **subsidiary organisation**) that is exempt from the payment of income tax under the State and/or Federal laws of Australia.

**officer** means any natural person who was, is, or becomes during the **period of insurance**:

- i. an office bearer;
- ii. a person who holds an **executive or managerial office** (as defined by the Corporations Act 2001 (Cth), as amended or replaced);
- iii. a **company secretary** or **management committee member** of **you**;
- iv. a **responsible person** within the meaning of the **Aged Care Act 2024 (Cth)**, or any legislation replacing or amending that Act; or
- v. any other person elected or appointed by **you** or by **your** governing body to represent **your** organisation in directing, managing, or supervising **your business**.

**officer** does not include a **trustee, liquidator, external auditor, receiver, receiver and manager, official manager, administrator**, or any person administering a compromise or scheme of arrangement of **your** organisation.

**official body** means any regulator, commission, government department, administrative authority, or **official** trade body, or organisation that is legally empowered to investigate, examine, or inquire into:

- a) the affairs of the **insured**; or
- b) the conduct of an **insured person** in such capacity.

For the avoidance of doubt, **official body** includes:

- a) the Aged Care Quality and Safety Commission (ACQSC);
- b) the Department of Health, Disability and Ageing;
- c) the Australian Securities and Investments Commission (ASIC);
- d) the Commonwealth Ombudsman;
- e) the Office of the Complaints Commissioner for aged care and
- f) any Royal Commission, Parliamentary Inquiry, or equivalent statutory inquiry.

**organisation** means any company or other incorporated entity under the laws of Australia but excluding any entity whose securities are traded on a primary, secondary or other market.

**outside director** or **outside directorship** means the position of **director, officer, secretary** or equivalent position held by either a **director** or an **officer** in the governing body of an **outside entity** at **your** request.

**outside entity** means a **non-profit organisation** not included in the definition of **you, your, yours** or **insured** but excluding any entity that had negative net assets or a negative net worth at the start of the **period of insurance**.

**penalty** means any monetary sum payable by **you** or an **insured person** and required by an order of a court of competent jurisdiction, to any **regulatory authority** but excluding:

- i. any amounts payable as **compensation**;
- ii. any compliance, remedial, reparation or restitution costs;
- iii. any amounts payable for income tax, customs duties, excise duty, stamp duty, sales tax or any other State or Federal tax or duty;
- iv. any amounts for violation of any law or regulation with respect to vehicular, air or marine traffic;
- v. any exemplary or punitive damages;
- vi. amounts that are not insurable at law;
- vii. any legal and other costs directly attributed to the penalties levied on **you** or the **insured person**; or
- viii. any consequential or economic **loss**.

**period of insurance** means the time and date cover under the **policy** starts to the time and date cover under the **policy** expires as shown in the **certificate of insurance** and any subsequent period which **we** agree by **endorsement**.

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## The Policy: Management Liability Insurance (continued)

**personal injury** means:

- i. bodily injury, illness, disease, disability, shock, fright, mental anguish (which occurs as a direct result of an accident), mental illness, psychological injury or death;
- ii. false arrest, wrongful detention, false imprisonment, malicious prosecution or humiliation;
- iii. wrongful entry upon, wrongful eviction from or other invasion of right to private occupancy of property or invasion of privacy;
- vi. defamation, libel, slander and **malicious falsehood** where the first publication or utterance happened after the commencement of the **policy**; or
- v. assault or battery, including use of reasonable force by **you** or at **your** direction for the sole purpose of preventing or eliminating danger to persons or property.

**policy** means this policy wording the **certificate of insurance** and any **endorsement** attaching at inception or during the **period of insurance**.

**pollutant** means any solid, liquid, gaseous, biological or thermal irritant or contaminant including but not limited to: smoke, vapour, fumes, noise, odour or any other air emission, electric or magnetic or electromagnetic fields, soot, acids, alkalis, chemicals, waste or material to be recycled, reconditioned or reclaimed, waste water, oil or oil products, infectious or medical waste.

**professional fees** means the fees, **costs** and disbursements which are reasonably and necessarily incurred in connection with a **tax audit** which are payable by **you** to an accountant or other financial adviser, **registered tax agent** or legal adviser for work carried out in connection with a **tax audit**.

**property** means tangible property other than **money** and **securities**.

**property damage** means physical **loss** of, destruction of or damage to tangible property, including **loss** of use or any other consequential losses flowing from such loss, destruction or damage.

**proposal** means the written or electronic insurance application form or renewal declaration document together with any supplementary material completed by or on behalf the **insured** that was given to **us**, and relied on by **us** to effect this **policy**.

**prosecution costs** means the reasonable and necessary costs incurred by an **Insured person** with **our** prior written consent to bring legal proceedings to overturn:

- i. an interim or interlocutory order confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an **insured person** or creating a charge over real property or personal assets of an **insured person**;
- ii. an interim or interlocutory order disqualifying an **insured person** from holding office or from managing a company; or
- iii. a judicial order requiring an **insured person** to be confined to a specific domestic residence or to be held in custody pending trial.

**registered provider** means an individual or organisation that is registered under the **Aged Care Act 2024 (Cth)** to provide aged care services in Australia.

For clarity, all references in this **policy** to an “approved provider” shall be deemed to include a **registered provider**.

For the purposes of this Policy, **registered provider** includes:

- a) any person or entity deemed to be registered under the transitional provisions of the **Aged Care Act 2024 (Cth)**; and
- b) any person or entity holding registration in one or more service categories established under the **Aged Care Act 2024 (Cth)**, including residential aged care, home care, flexible care, respite care, or specialist aged care services.

**regulatory authority** means instrumentalities, entities or persons appointed to act pursuant to any Act of the Commonwealth of Australia or the States or Territories of Australia for the purposes of enforcement of such Act or any other Act.

**retroactive date** means the date set out in the **certificate of insurance** relevant to each **insuring clause** and the **policy** does not provide cover in respect of any **wrongful act**, and/or **employment practice breach** as applicable which occurred prior to such date.

**securities** means for any negotiable or non-negotiable instruments or contracts representing **money** or other property including but not limited to any shares, debentures, stocks, notes, warrants, options, or any security for debt or equity issued or given by **you** but excluding **money** and **property**.

**senior counsel** means a barrister in active practice who is entitled to use the post-nominals King’s Counsel or Senior Counsel in any one or more of the courts in Australia.

**sexual abuse** means any assault or abuse of a sexual nature, sexual molestation, indecent exposure, sexual harassment or intimidation, whether such act is the subject of criminal investigation or not.

**social engineering fraud** means the intentional deception of an **employee** by a person or entity – whether human or AI-generated – falsely representing themselves as a vendor, **client**, customer representative, or similar party, through misrepresentation of a material fact, which the **employee** reasonably believes to be genuine and acts upon.

**subsidiary organisation** means any company or other incorporated entity under the laws of Australia or other **organisation** which is either directly or indirectly controlled by any incorporated entity, entities or **organisation(s)** named as the **insured** in the **certificate of insurance** and whose accounts are consolidated with such incorporated entity, entities or **organisation(s)** in accordance with Australian accounting standards. Control or controlled has the same meaning as the definition of control in the Corporations Act 2001 (Cth) as amended or replaced.

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## The Policy: Management Liability Insurance (continued)

**superannuation benefits** means any superannuation benefit or benefit for death, temporary disability or permanent disability to a beneficiary of a fund.

**tax audit** means the carrying out of an audit on a return submitted by **you**, or on **your** behalf, by the Australian Tax Office or any Australian Commonwealth, State or Territory department, relevant body or agency, or authority which is authorised to conduct such an audit but does not include any inquiry or investigation by the Australian Taxation Office aimed at determining the **insured's** compliance with the record keeping requirements of relevant taxation legislation.

**tax minimisation schemes** means the arrangement of taxation and other returns, by **you** or on **your** behalf, which are designed to reduce the tax payable by **you**.

**terrorism act** means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division of that nation, or in pursuit of political, religious, ideological, ethnic or similar purposes or reasons to intimidate the public or a section of the public of any nation, by any person or groups of persons whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto, and which:

- i. involves force or violence against one or more persons, or threat thereof;
- ii. involves damage to property;
- iii. endangers life other than that of the person committing the action;
- iv. creates a risk to health or safety of the public or a section of the public; or
- v. is designed to interfere with or disrupt an electronic system.

**third party** means any natural person or entity other than an **insured**. For the sake of clarity, a **third party** can include a **client**. In respect of **Automatic extension 36 – Third party fidelity**, **third party** does not include any person acting in collusion with any **employee**.

**third party discrimination** means **discrimination** by an **insured person** against a **third party** referencing race, colour, creed, religion, age, sex disability, marital status, national origin, pregnancy, sexual orientation or preference which is protected to any law anywhere in the world.

**third party sexual harassment** means sexual harassment by an **insured person** against a **third party** including unwelcomed sexual advances, or conduct of a sexual nature. For the purpose of this definition only **third party sexual harassment** does not include cover for any actual or alleged act of **sexual abuse**.

**trust** means a trust set up to manage a retirement or superannuation or pension fund for the benefit of **your officers** and/or **employees**.

**trustee** means **you** if validly appointed to act or any natural person who is elected to administer the **trust**, but does not include a professional trust company or **organisation** or an **employee** of such company or **organisation**.

**trustee responsibility breach** means any actual or alleged **wrongful act** or failure to act committed, attempted or allegedly attempted by a **trustee** in such capacity in respect of the administration of the **trust**.

**volunteer** means any person engaged by **you** to work or to provide services to **you** or on **your** behalf for **your** benefit in the carrying out of **your business** who receives no remuneration or monetary consideration for the services rendered.

**we, us, our, insurer** means Ansvar Insurance Limited ABN 21 007 216 506 AFS Licence No 237826.

**wrongful act** means any actual or alleged act, error or failure to act including but not limited to any unfair or unlawful act or failure to act any misstatement, misleading statement, neglect, error, breach of trust, breach of duty or offence pursuant to an **Act of Parliament** or common law; provided such act or failure to act is relevantly committed or allegedly committed or attempted in respect of each selected **insuring clause** as follows:

- i. **Insuring clauses 1, 2, 3, 4, 6 and 7**: by a **director** and/or **officer** solely in their capacity as such a **director** or **officer**;
- ii. **Insuring clauses 1, 4, 6 and 7**: by **you**;
- iii. **Insuring clauses 4, 5, 6 and 7**: by a **trustee** in the course of the administration of the **trust**.

**you, your, yours, or insured** means:

- i. the incorporated entity, entities or **organisation(s)** named as the **insured** in the **certificate of insurance**;
- ii. each **organisation** that is a **subsidiary organisation** at the commencement date of the **period of insurance** and which was disclosed by **you to us** at the time of entering into the **policy**;
- iii. any new **subsidiary organisation** formed or acquired by **you** during the **period of insurance** through consolidation, merger or purchase of its assets and in respect of which **you** assume control during the **period of insurance** provided:
  - such **organisation** is carrying on substantially the same **business** of the **insured** designated in i. above;
  - any acquisition or assumption of control increasing the total gross assets of the **insured** designated in i. above under management by more than 20% is reported to **us** within 90 days after it is effected; and
  - that the **policy** does not provide cover to the **organisation** which has become the **subsidiary organisation** or to any person who has consequently become a **director** or **officer** in respect of any **wrongful act, employment practice breach, direct financial loss** or **crisis** which occurred prior to the date of such formation or acquisition.

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## The Policy: Management Liability Insurance (continued)

### OPERATIVE CLAUSE

In consideration of **your** payment of the premium and subject to the terms and conditions of the **policy**, **we** will provide cover under each **insuring clause** and **automatic extension** and as listed in the **certificate of insurance** and, if applicable, any **endorsement** to the **policy**.

The insurance contract shall commence at 4:00 pm local standard time on the inception date stated in the **certificate of insurance** and shall expire at 4:00 pm local standard time on the expiry date stated therein.

**We** do not provide cover under the policy for any liability or **loss** arising out of any **wrongful act**, **employment practice breach** or **trustee responsibility breach** which occurred prior to the **retroactive date** shown in the **certificate of insurance**.

If the terms of the **policy** are not observed, cover may be reduced or cancelled. No variation of the **policy** will be effective, except where made by written **endorsement**.

### CLAIMS MADE AND NOTIFIED

The **policy** operates on a 'claims made and notified' basis which means that **you** are covered for:

1. **claims** first made against **you** and notified to **us** during the **period of insurance** provided that **you** were not aware at any time prior to the start of the **period of insurance** of any fact, situation, event or circumstance which could lead to a **claim** being made against **you**; and
2. **claims** first made against **you** after the **period of insurance**, provided that the facts that gave rise to the **claim** are facts **you** first became aware of during the **period of insurance** and **you** notified **us** in writing of those facts during the **period of insurance**.

### INTERPRETATION

Where headings are used in the **policy**, they are purely descriptive in nature and are not intended to be used for interpretative purposes.

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

## Insuring clauses applicable to the policy

The maximum **we** will pay under each of the following insuring clauses is the relevant:

- **limit of liability** (as further defined in the **policy**), or
- **aggregate limit of liability**,

shown in the **certificate of insurance** in respect of each **insuring clause** and always subject to all of the terms and conditions of the **policy** including the **aggregate policy limit**.

### 1. Directors and Officers Liability

**We** will indemnify any **director** or **officer**, for liability incurred in their capacity as such a **director** or **officer**, for **loss** arising out of any **claim** by reason of any **wrongful act**, which **claim** is first made against them during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period** and provided such **director** or **officer** is not indemnified by **you**.

### 2. Employment Practices Liability

**We** will indemnify **you** and/or an **insured person** for liability for loss arising out of any **claim** alleging an **employment practice breach**, which **claim** is first made against **you** or the **insured person** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**.

### 3. Entity Liability

**We** will indemnify **you** for liability for **loss** arising out of any **claim** by reason of any **wrongful act** in the management of **your business**, which **claim** is first made against **you** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**.

### 4. Entity Reimbursement

**We** will indemnify **you** for any payment which **you** are required and are legally permitted to make to or on behalf of any **director** or **officer** for their liability for loss incurred in their capacity as such a **director** or **officer** and arising out of any **claim** by reason of any **wrongful act**, which **claim** is first made against them during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**.

### 5. Internet Liability

**We** will indemnify **you** and/or an **insured person** for liability for **loss** arising from a **claim** as a direct result of a **wrongful act** carried out without **your** consent and incurred solely in the conduct of **your internet activities** which **claim** is first made against **you** and/or the **insured person** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**, and for which cover is not provided under **your** general public and products liability insurance.

### 6. Statutory Liability

**We** will agree to indemnify **you** and/or an **insured person** for any penalty which is insurable at law arising from a **wrongful act** by **you**, an **insured person** or a **trustee** in the jurisdictions of, and under the laws of, Australia, as well as any **defence costs** incurred directly in connection with any legal proceedings, **investigations** or inquiry which may give rise to the imposition of such penalty.

Provided always that written notice of such legal proceedings, **investigation** or inquiry was first received by **you** or the **insured person** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**, and that such penalty is in connection with an allegation of a **wrongful act** committed after the **retroactive date** and which would lead to a **claim** covered under this **policy**.

### 7. Trustees Liability

**We** will indemnify a **trustee** for liability for **loss** arising from any **claim** alleging a **trustee responsibility breach**, first made against the trustee during the **period of insurance** and notified to **us** during the **period of insurance** or during the **extended notification period**.

## Limit of liability and excess applicable to the policy

1. **We** shall not be liable under the **policy** to pay any more than the amount of the **aggregate policy limit** in respect of the aggregate of all payments that **we** would otherwise be liable to make under the **policy**.
2. Subject to the **aggregate policy limit**, the total amount payable under each of Insuring clauses 1 to 7 and each applicable **automatic extension** in respect of all amounts payable under the **policy** shall not exceed the **aggregate limit of liability** stated in the **certificate of insurance** as applying to that particular **insuring clause** or to the relevant **insuring clause** applicable to the particular **automatic extension** unless the **automatic extension** expressly provides otherwise.
3. Except as provided for in **automatic extension 9 – Dedicated excess limit of liability for Insured person** and subject to the **aggregate policy limit** and the applicable **aggregate limit of liability** unless **we** state otherwise in writing, the total amount payable by **us** under each **insuring clause** of the **policy** and any **automatic extension** in respect of any one claim shall not exceed the **limit of liability** in respect of any one claim stated in the **certificate of insurance** as applying to that particular **insuring clause** or to the relevant **insuring clause** applicable to the particular **automatic extension** unless the **automatic extension** expressly provides otherwise. Such **limit of liability** forms part of and is not in addition to the relevant **aggregate limit of liability** and **aggregate policy limit** shown in the **certificate of insurance**.
4. Where more than one **insuring clause** covers any **claim** or **loss** then only one **insuring clause** shall apply. The **insuring clause** including the applicable **limit of liability** and **aggregate limit of liability** which in that event shall apply shall be the **insuring clause** which first appears in the following order:
  - **Insuring clause 1 – Directors and Officers Liability;**
  - **Insuring clause 2 – Entity Reimbursement;**
  - **Insuring clause 3 – Entity Liability;**
  - **Insuring clause 4 – Employment Practices Liability;**
  - **Insuring clause 6 – Statutory Liability;**
  - **Insuring clause 7 – Internet Liability;**
5. If an **excess** is shown in the **certificate of insurance** in respect of the applicable **insuring clause** and **automatic extension**, then subject to all of the terms and conditions of the **policy** including the applicable **limit of liability**, **aggregate limit of liability** and **aggregate policy limit**, **we** shall only be liable for amounts otherwise covered by the **policy** exceeding that **excess**.
6. Should any one **wrongful act**, **trustee responsibility breach** or **employment practice breach** result in more than one **claim** being made against **you** or an **insured person** only one **excess** will apply. This **excess** will be the highest of any **excess** noted in the **certificate of insurance** which applies to any relevant **insuring clause** or **automatic extension** under which cover is available in respect of those **claims**.
7. With respect to **automatic extension 14 – Employee fidelity**, **36 – Third party fidelity** and **17 – Fidelity investigation expenses**, a series of related, repeated or continuous **dishonest acts** shall be treated as giving rise to a single **direct financial loss** and, as such, a single **excess** is payable.
8. In the event of a **claim** being based on separate, different or additional **wrongful acts**, **trustee responsibility breaches** or **employment practice breaches** then the applicable **excess** shall apply in respect of each **wrongful act**, **trustee responsibility breach** or **employment practice breach**.
9. **Defence costs** are subject to the **excess** applicable to each selected **insuring clause** or **automatic extension** under which they are otherwise covered.
10. All **claims** arising from:
  - a single **wrongful act**, **trustee responsibility breach** or **employment practice breach** of the **insured** or an **insured person**;
  - multiple but interrelated **wrongful acts**, **trustee responsibility breaches** or **employment practice breaches** of the **insured** or an **insured person**; or
  - **wrongful acts**, **trustee responsibility breaches** or **employment practice breaches** of the **insured** or an **insured person** which arise from the same or a related source;shall be deemed one **claim** and such **claim** shall be deemed to have been made at the time when the earliest of the **claims** was first made against **you** or an **insured person**.

## Automatic extensions applicable to the policy

### 1. Advancement of defence costs

**We** agree that, in relation to any **claim** for which indemnity may be provided under this **policy**, **we** will pay **defence costs**:

- a) Where **we** have confirmed indemnity based on **our** assessment of the **claim** or the findings from an independent review **we** may reasonably require, **we** will pay the **defence costs** as they are incurred; or
- b) Where **we** have not confirmed indemnity, and **we** elect not to take over and conduct the defence or settlement of any **claim**, **we** may, at **our** discretion, pay **defence costs** to which **we** have consented as they are incurred.

Excepting where **we** have consented to pay **defence costs** under b) above, **we** reserve the right to recover any **defence costs** paid under this extension from **you** to the extent that is established by final adjudication, that **you** were not entitled to under this **policy**.

### 2. Attendance at official investigations or inquiries

**We** will pay **defence costs** reasonably and necessarily incurred, with **our** prior written consent, by an **insured person** in attending, preparing for, or responding to any official **investigation**, examination, inquiry, review, or other proceeding ordered, commenced, or commissioned by an **official body**, where the **insured person** is legally compelled to attend.

Cover applies where the subject matter of the proceeding arises directly from:

- a) an actual or alleged **wrongful act** committed after the **retroactive date** in relation to the delivery of aged care services;
- b) the management, governance, or provision of aged care services by the insured as a **registered provider** under the *Aged Care Act 2024* (Cth).

Provided always that formal written notice requiring such attendance is first served during the **period of insurance** and notified to **us** during either the **period of insurance** or any applicable **extended notification period** and that no indemnity is provided under this extension for any fine, penalty, sanction, or compensation order imposed as a result of such proceeding.

**Our** total liability under this extension shall not exceed AUD \$500,000 in the aggregate, which forms part of, and is not in addition to, the **limit of liability** and **aggregate limit of liability** under this **policy**.

### 3. Civil or bail bond expenses

**We** agree to pay on behalf of an **insured person**, **civil** or **bail bond expenses** incurred by an **insured person** during the **period of insurance** in connection with a **claim** that is covered under the **policy**.

Provided always that:

the total amount **we** will pay under the **policy** under this **automatic extension** is sub-limited to \$250,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate policy limit** and the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 4. Continuity of cover

In the absence of fraudulent non-disclosure or misrepresentation by **you** or an **insured person**, **we** will extend cover to **you** or an **insured person** under the **policy** for liability for **loss** to the extent it would be covered but for the existence of a **known circumstance** provided always that:

- **we** were the management liability or **directors** and **officers** liability insurers (however designated) of **you** and the **insured person** when **you** or the **insured person** first knew of such **known circumstance**;
- **we** continued without interruption to be the management liability or **directors** & **officers** liability insurers of **you** and the **insured person** since **you** or the **insured person** first knew of such **known circumstance** up until the time when the **policy** came into effect;
- had **we** been notified of the **known circumstance** when **you** or the **insured person** first knew or ought to have known of it, **you** or the **insured person** would have been covered under the **policy** in force at that time, but are not now covered by the **policy**;
- **you** and/or the **insured person** seeking indemnity under the **policy** would have been covered by the **policy**, but for the **known circumstance** exclusion; and
- the **claim** or **known circumstance** had not previously been notified to **us** or to any other insurer.

The **limit of liability** **we** provide under this **automatic extension** is the lesser available under the terms of the **policy** in force at the earlier time (as referred to in the first sub-paragraph of this clause) or that but for the **known circumstance** would apply under the **policy**. The terms of the **policy** otherwise apply and **we** may reduce **our** liability under the **policy** to the extent of any prejudice **we** suffer in connection with the failure of **you** or the **insured person** to notify **us** at an earlier date of the **known circumstance**.

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## The Policy: Management Liability Insurance (continued)

### 5. Court attendance costs

**We** agree to pay up to \$500 per day for court attendance costs incurred by an **insured person** who is legally compelled to attend a civil proceeding as a witness in connection with a **claim** covered under **Insuring clause 1 – Directors and Officers Liability**.

Provided always that:

**Our** total liability under this **automatic extension** shall not exceed **\$100,000 in the aggregate** for the period of insurance; and this sub-limit forms part of, and is not in addition to, the **aggregate policy limit**, the **limit of liability**, or the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 6. Crisis Management and Reputational Response

**We** agree to indemnify the **insured** for reasonable and necessary costs and expenses incurred, with **our** prior written consent, in responding to a **crisis event**, limited to the following:

- a) Public relations and communications costs, fees, crisis communication, or media consultants engaged to:
  - i. manage or mitigate adverse media coverage, public criticism, or stakeholder concern relating to the governance, care quality, or compliance of the **insured**;
  - ii. prepare, issue, and disseminate official statements or communications to residents, families, staff, regulators, or the public;
  - iii. monitor or respond to social-media commentary, press enquiries, or community concern; or
  - iv. restore or protect the reputation of the **insured** or any **insured person** following a **crisis event**.
- b) Strategic advisory and stakeholder engagement costs Reasonable fees or expenses incurred for:
  - i. legal, governance, or crisis consultants advising the Board, **Responsible person**, or management on immediate response actions;
  - ii. liaison with the Aged Care Quality and Safety Commission, the Department of Health and Aged Care, or any equivalent regulatory authority; or
  - iii. short-term actions necessary to reassure residents, families, or the community, or to maintain accreditation, licence, or approved provider status.

**Our** total liability under this extension shall not exceed AUD \$100,000 in the aggregate, which forms part of, and is not in addition to, the **limit of liability** and **aggregate limit of liability** under this **policy**.

### 7. Current outside directorships

(including non-profit organisations)

Where a **director** or **officer** holds an **outside directorship** with **your** permission at the commencement of the **period of insurance** in any **outside entity** named in the **certificate of insurance**, or any non-profit organisation associated to the **outside entity**, **we** will extend cover to that **director** or **officer** of the **outside entity** or **non-profit organisation** under **Insuring clause 1 – Directors and Officers Liability** and to **you** under **Insuring clause 2 – Entity Reimbursement**;

Provided always that:

- cover is not be provided for any **wrongful act** preceding the **retroactive date** shown in the **certificate of insurance**;
- cover will not extend to any **director** or **officer** (by whatever name called) of the **outside entity** who is not also an **insured person** under this **policy**;
- no indemnity whatsoever is available to the said **outside entity** or **non-profit organisation** under this **policy**;
- the cover available by reason of this **automatic extension** shall only apply in **excess** of the indemnity available to the **director** or **officer** under the management liability **policy** (however designated) held by the **non-profit organisation** with another **insurer** covering the liability of that person; and
- this **automatic extension** shall only apply where there is no other insurance issued by **us** to the said **outside entity**.

**We** will extend the indemnity granted by this **automatic extension** to any **director** or **officer** entering into such an **outside directorship** with **your** permission during the currency of the **policy** for an initial period being the period of sixty (60) days from the commencement date of any such appointment or until the expiry of the **policy** whichever is shorter; and **we** will maintain such coverage beyond this initial period where:

- such **outside directorship** is reported to **us** within sixty (60) days after it is effected; and
- **we** confirm continuation of the interim cover for such **outside directorship**, by **endorsement** of this **policy**.

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## The Policy: Management Liability Insurance (continued)

### 8. Data reproduction expenses

**We** will pay any reasonable expenses incurred by **you** with **our** written consent reasonable costs to reproduce or duplicate damaged or destroyed **electronic data** or computer programs directly arising from any **direct financial loss** covered under **automatic extension 14 – Employee fidelity and 36 – Third party fidelity** of this **policy**.

If such **electronic data** or computer programs cannot be duplicated from other **electronic data** or computer programs then **we** will pay any reasonable expenses incurred by **you** with **our** written consent for reasonable costs incurred to purchase the replacement computer program software, or if it cannot be purchased, for the time taken for computer programmers, technical experts or consultants to restore such **electronic data** or computer programs to substantially the same level of operational capability existing immediately before the covered **loss**.

The total amount **we** will pay under this **automatic extension** is sub-limited to \$25,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available. No **excess** shall apply to this **automatic extension**.

### 9. Dedicated excess limit of liability for insured person

**Insuring clauses** 1, 2 and 4 are extended as follows:

In the event that the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** and all other indemnification available to an **insured person** is exhausted (including but not limited to by **you** or an **outside entity**) and any other insurance (including any **policy** taken out on behalf of or for the benefit of the **insured person**, including policies specifically **excess** of this **policy**) in respect of such **loss** resulting from a **claim** for a **wrongful act**, **we** will pay on behalf of any **insured person**, loss up to \$1,000,000.

The **aggregate limit of liability** of the **insurer** under this **automatic extension** will not exceed during the **period of insurance**:

- \$1,000,000 in the aggregate for each **insured person**, and
- The **aggregate policy limit** specified in the **certificate of insurance** for all **loss** paid on behalf of all **insured persons**.

The cover under this **automatic extension** is in addition to, and not part of, the **limit of liability** under the **policy**. However, in respect of any sub-limit, this **automatic extension** does not operate until exhaustion of the **limit of liability**. No **excess** shall apply to this cover. Further, **we** agree that this **automatic extension** cannot be cancelled by **you**.

### 10. Deprivation of assets expenses

**We** agree to extend cover under the **policy** by including **deprivation of assets expenses** arising from any **claim** covered by the **policy**;

Provided always that:

The total amount **we** will pay under the **policy** under this **automatic extension** is sub-limited to \$20,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 11. Directorships (Non-Profit Organisation(s))

**We** agree to extend cover under the **policy** by including in the definition of **director** and **officer** any **director** or **officer** who is required to hold a position in the governing body of any **non-profit organisation** at **your** request prior to or during the **period of insurance**.

Provided always that:

- a) any **wrongful act** giving rise to a claim occurred before the **director** or **officer** ceased holding such position;
- b) cover pursuant to this **automatic extension** will not extend to any other **director** or **officer** (by whatever name called) of the **non-profit organisation** if they are not otherwise covered under the **policy**;
- c) no cover whatsoever is available to the **non-profit organisation** under the **policy**;
- d) for the purpose of applying **Automatic Extension 14 – Insured versus Insured**, to the cover provided in this **automatic extension** and for no other purpose, the term **insured** will be deemed to include the **non-profit organisation**;
- e) the cover available by reason of this **automatic extension** shall only apply in excess of the indemnity available to the **director** or **officer** under the management liability or **directors** or **officers policy** (however designated) held by the **non-profit organisation** with another **insurer** covering the liability of that person; and
- f) where **we** have issued another insurance policy to the **non-profit organisation** providing similar coverage allowed under the **policy**, this **automatic extension** shall only apply in excess of such separate coverage.

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## The Policy: Management Liability Insurance (continued)

### 12. Dishonesty of others

Notwithstanding exclusion 10 – fraud and dishonesty, **we** will extend cover to an **insured person** for liability for **loss** to the extent it would be otherwise covered under the **policy** provided always that:

- the **insured person** seeking cover pursuant to this **automatic extension**, did not engage in, permit, knowingly assist or condone such **dishonest**, fraudulent, malicious or illegal act or failure to act;
- the indemnity does not extend to **loss of property, money**, bearer bonds, coupons, stamps, bank notes, currency notes or negotiable instruments of any kind belonging to the **insured person** or for damage to **property** for which the **insured person** is legally responsible;
- the **loss** sustained is not in consequence of any act or failure to act occurring after the **insured person** seeking cover pursuant to this **automatic extension** acquired reasonable cause for suspicion of **dishonest**, fraudulent, malicious or illegal conduct on the part of the defaulting **insured person** concerned and had the opportunity to act on the available information; and
- indemnity is not provided to the **insured person** which committed the **dishonest**, fraudulent, malicious or illegal conduct.

### 13. Emergency defence costs

If it is not possible for the **insured** to obtain **our** consent prior to incurring **defence costs** for a **claim** covered under this **policy**, **we** will waive the requirement of prior consent provided **our** consent is obtained within thirty (30) days of the first of such **defence costs** being incurred.

The total amount **we** will pay under the **policy** under this **automatic extension** is sub-limited to \$100,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 14. Employee fidelity

**We** will indemnify **you** for liability for any **direct financial loss** caused by an **employee** committing a **dishonest act** against **you**, first **discovered** during the **period of insurance** and notified to **us** during the **period of insurance**.

The total amount **we** will pay under this **automatic extension** shall not exceed the amount of the **Employee Fidelity** sub-limit specified in the **certificate of insurance**.

This sub-limit forms part of and is not in addition to the **aggregate policy limit** and the **limit of liability**, the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 15. Estate, heirs and legal representatives

The estates, heirs or legal representatives of any deceased or incompetent **insured person** shall be indemnified in respect of liabilities of that **insured person** covered by the **policy** provided always that any such indemnity shall be subject to all the terms and conditions of the **policy** in so far as they are applicable.

### 16. Extended claim and reporting period

If **we** refuse at expiry of this insurance to offer any renewal terms and conditions, **you** and any **insured person**, shall jointly (but not separately) have the right to request prior to the expiry of the **period of insurance** and upon payment of an amount equal to 100% of the total expiring annual premium stated in the **certificate of insurance** to an **endorsement** to the **policy** providing for:

- an extension of the **extended notification period** to a period being the period of 12 months immediately following the expiry of the **period of insurance**; and
- any **claim** made and reported to **us** during this endorsed **extended notification period** being deemed to have been made and reported to **us** immediately prior to the expiry of the **period of insurance** provided that the **claim** arises out of a **wrongful act**, **trustee responsibility breach** or **employment practice breach** which occurred prior to the expiry of the **period of insurance** and there is no cover for any **claim** arising out of a **wrongful act**, **trustee responsibility breach** or **employment practice breach** which occurred after the expiry of the **period of insurance**.

### 17. Fidelity investigation expenses

**We** will pay any reasonable expenses incurred by **you** with **our** written consent for the purposes of establishing the existence and amount of the **direct financial loss** covered under **Automatic extension 14 – Employee fidelity** and **36 – Third party fidelity** of this **policy**.

For the sake of clarity reasonable costs payable under this **automatic extension** shall not include wages, salaries, time costs and expenses or other remuneration of any **insured person**, or the time or expenses incurred by **your client**.

The total amount **we** will pay under this **automatic extension** is sub-limited to \$25,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate policy limit** and the **limit of liability**, the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available. No **excess** shall apply to this **automatic extension**.

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## The Policy: Management Liability Insurance (continued)

### 18. Free legal consultation

During the **period of insurance** the **insured** is entitled to two hours free legal advice from the appointed firm and nominated practitioner as prescribed by **us**, on any matter relating to the **insured's** professional **business**.

This **automatic extension** is subject to the following:

- the legal advice will be of a general nature;
- any unused hours or consultations cannot be aggregated from one **period of insurance** to another;
- **we** reserve the right to change the appointed firm or nominated practitioner at any time. These changes will be notified to the **insured** upon request;
- the **insured** may not seek legal advice on this **policy** or other indemnity issues concerning insurance policies issued by **us** under this **automatic extension**.

### 19. Government Funding Audit and Repayment Extension

**We** will pay **defence costs** reasonably and necessarily incurred by **you**, with **our** prior written consent, in preparing for and responding to:

- a) any official audit, review, investigation, or inquiry conducted by an official body concerning **your** receipt, use, management, or reporting of government funding, subsidies, or contributions in connection with the operation of **your** aged-care **business**; or
- b) any regulatory proceeding or enforcement action alleging a breach by **you** of **your** obligations as an **approved provider** or **registered provider** under the **Aged Care Act 2024** (Cth) or equivalent legislation.

This Extension does not indemnify **you** for any:

- i. repayment, refund, or return of government funding, subsidy, or contribution (however described);
- ii. fine, penalty, sanction, or remediation order imposed by law;
- iii. **claim** arising from any **dishonest**, fraudulent, criminal, or reckless act or omission, if established by judgment, admission, or regulatory finding;
- iv. error, omission, or negligence in the provision of Professional Services (such matters being addressed under any applicable Professional Indemnity Policy); or
- v. audit, review, or investigation known to **you** prior to the inception of this **policy**.

The total amount **we** will pay under the policy under this **automatic extension** is sub-limited to \$100,000 in the aggregate. This sublimit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 20. Identity fraud expenses

**We** will pay any reasonable **identity fraud expenses** incurred by **you** with **our** written consent if any party other than the **insured** enters into any agreement with any **third party** fraudulently representing themselves as the **insured**, then **we** shall pay **identity fraud expenses**.

The total amount **we** will pay under this **automatic extension** is sub-limited to \$25,000 in the aggregate. This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available. No **excess** shall apply to this **automatic extension**.

### 21. Insured versus insured cover

Notwithstanding exclusion 14 – **Insured versus insured**, **we** will extend cover to any individual **director**, **officer**, or **trustee** in respect of:

- a **claim** for contribution or indemnity brought by another **director**, **officer**, or **trustee** in relation to a liability for loss that is covered under **Insuring clause 1 – Directors and Officers Liability** or **Insuring clause 5 – Trustees Liability** of this policy;
- a shareholder derivative action brought or maintained in the shareholder's own name or on behalf of the **insured**, provided the shareholder was not a **director** or **officer** at the time of the alleged **wrongful act** or **trustee** responsibility breach;
- a derivative action brought or maintained by a liquidator, administrator, or receiver on behalf of the **insured**;
- a **claim** brought against a **director**, **officer**, or **trustee** by any regulatory or statutory authority on behalf of the **insured**; or
- a **claim** brought by one **director**, **officer**, or **trustee** against another alleging an **employment practice breach**, discrimination, harassment, or defamation, but only where the conduct occurred in the performance of their duties as a **director**, **officer**, or **trustee**.

provided always that:

- the person or organisation bringing or controlling the **claim** acts without any prior direct or indirect solicitation or enticement by, or in concert with, any other **director**, **officer**, or **trustee** (other than cooperation legally required by a statutory or regulatory authority);

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## The Policy: Management Liability Insurance (continued)

- the **claim** does not arise from, or relate to, any industrial dispute, strike, picket, lock-out, go-slow, or work-to-rule activity;
- the **claim** is not covered under another **insuring clause** or **automatic extension** of this **policy**;
- the **claim** is not excluded by this **policy**; and
- any **claim** alleging an **employment practice breach** is subject to the **limit of liability** applicable to **Insuring clause 4 – Employment Practices Liability**.

### 22. Joint venture cover

**We** agree to extend cover under the **policy** to an **insured person** in respect of any **claim** made against that **insured person** arising from any **joint venture** but cover shall not extend to any **claim** brought by or on behalf of any party to the **joint venture** or any **organisation** or trust established to conduct, control or manage such **joint venture**.

### 23. Occupational health and safety

Notwithstanding Exclusion 21. Personal injury and property damage, it is hereby declared and agreed that:

Where you, or any **director, officer, or responsible person**, are legally compelled by written notice received during the **period of insurance** to attend any **official** investigation, inquiry, examination, or other proceeding ordered, commissioned, or conducted by an **official body**, alleging a breach of occupational health and safety or workplace health and safety laws, regulations, or equivalent obligations in any State or Territory of Australia (including proceedings relating to industrial or workplace deaths or psychosocial hazards), in connection with the delivery of aged care services, **we** will indemnify **you** for **defence costs** reasonably and necessarily incurred, with **our** prior written consent.

This extension does not provide cover for any **claim** for **compensation** by an **employee**, or for any liability otherwise excluded by the **policy**.

The total amount **we** will pay under the **policy** under this **automatic extension** is sub-limited to \$1,000,000 in the aggregate.

This sublimit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 24. Personal injury cover for trustees

Notwithstanding Exclusion 21. **Personal injury and property damage, Insuring clause 5 – Trustees Liability** extends to cover liabilities for **personal injury** incurred by a **trustee** including involuntary defamation, libel or slander in the course of the administration of the **trust**;

Provided always that:

- this cover has not been provided by a general public and products liability insurance policy purchased by the **trustee**;

The total amount **we** will pay under the **policy** under this **automatic extension** is sub-limited to \$1,000,000 in the aggregate.

This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 25. Pollution defence costs

Notwithstanding Exclusion 22. Pollution, **we** will extend cover to include **defence costs** incurred in respect of any **claim** against **you** or any **director** or **officer** arising out of the discharge, dispersal, release or escape of **pollutants** in the course of **your** operations that would otherwise be covered by the **policy**.

- the total amount **we** will pay under the policy under this **automatic extension** is sub-limited to \$1,000,000 in the aggregate. This sublimit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available; and
- cover is not provided for any pollution occurring in the United States of America, the Dominion of Canada or the territories or protectorates of those Countries.

### 26. Preservation of indemnity

If an **insured person** is not able to obtain payment pursuant to a lawful right of indemnity from an **organisation** insured under the **policy** by reason only of the **organisation** having been placed in liquidation and such payment is in respect of a liability for **loss** that would otherwise be covered by **Insuring clause 1 – Directors and Officers Liability**, then **we** will extend cover under **Insuring clause 2 – Entity Reimbursement** to that **insured person**, provided the burden of furnishing satisfactory proof to obtain the benefit of this **automatic extension** shall rest entirely with the **insured person**.

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## The Policy: Management Liability Insurance (continued)

### 27. Prosecution costs

We will pay **prosecution costs** incurred with **our** previous written consent on behalf of an **insured person** in connection with a **claim** which first occurs and is notified to **us** during the **period of insurance**. The total amount **we** will pay under this **automatic extension** is sub-limited to \$50,000.

We will pay **prosecution costs** incurred with **our** previous written consent on behalf of an **insured person** in connection with a **claim** which first occurs and is notified to **us** during the **period of insurance**. The total amount **we** will pay under this **automatic extension** is sub-limited to \$50,000. This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 28. Reinstatement in the event of a recovery

Any amounts recovered by **us** (net of **our** reasonable expenses associated with such recovery) following a paid **claim** under the **policy** shall proportionally reduce the impairment of the **limit of liability**.

### 29. Retirement cover for insured persons

If **you** do not renew the **policy** or do not replace it with any other insurance providing coverage similar to that provided under **Insuring clause 1 – Directors and Officers Liability** and do not purchase an extension to the **extended notification period** pursuant to **automatic extension 16 – Extended claim and reporting period**, then any **insured person** who retired from all employment or office prior to expiry of the **period of insurance** shall but only in respect of a **claim** against them be entitled under this **automatic extension** to:

- an extension of the **extended notification period** to a period being the period of 84 months immediately following the expiry of the **period of insurance**; and
- any such **claim** made and reported to **us** during this extended of the **extended notification period** shall be deemed to have been made and reported to **us** immediately prior to the expiry of the **period of insurance** provided always that the **claim** arises out of a **wrongful act**, or **employment practice breach** which occurred prior to the date of their retirement and there is no cover for any **claim** arising out of a **wrongful act**, or **employment practice breach** which occurred after the date of their retirement.

This **automatic extension** confers no entitlement or benefit on **you** or any other **insured person**.

### 30. Run-off after merger or consolidation

If the **insured** merges or is consolidated with or becomes the subsidiary of another incorporated **organisation**, or sells all or substantially all its assets to another incorporated **organisation**, the **insured** and all **insured persons** shall have jointly (but not separately) the option to:

- an extension of the **extended notification period** to a period being period of 12 months immediately following the expiry of the **period of insurance**; and
- any such **claim** made and reported to **us** during this **extended notification period** shall be deemed to have been made and reported to **us** immediately prior to the expiry of the **period of insurance** provided always that the **claim** arises out of a **wrongful act**, or **employment practice breach** which occurred prior to the date of such merger, consolidation or sale and there is no cover for any **claim** arising out of a **wrongful act**, or **employment practice breach** which occurred after the date of such merger, consolidation or sale.

Provided always that:

- the right to this **automatic extension** is exercised in writing prior to the expiry of the **period of insurance**;
- there has been and is no **known circumstance** or **claim** against any **insured** or **insured person** to which the **policy** may respond;
- **you** agree to pay each year the premium **we** require; and
- in the event this **automatic extension** is exercised, **automatic extension 16 – Extended claim and reporting period** will not apply.

### 31. Runoff cover for outside directorships

In the event that an **insured person** ceases to act as an **outside director** of an **outside entity** at any time prior to or during the **period of insurance**, then the **policy** shall continue to apply with respect to any **claim** first made against such **insured person** and notified to **us** during the **period of insurance** or the **extended notification period** (if applicable);

Provided always that:

- cover is only provided with respect to **wrongful act** or **employment practice breach** committed prior to the date such person ceased to be an **outside director** of such **outside entity** and committed during the time such person was an **outside director** of such **outside entity**;
- cover is not provided for any **wrongful act** or **employment practice breach** preceding the **retroactive date** shown in the **certificate of insurance**.

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## The Policy: Management Liability Insurance (continued)

### 32. Runoff cover for subsidiary organisations

If a **subsidiary organisation** ceases to be a **subsidiary organisation** during the **period of insurance**, then the **policy** shall continue to apply with respect to any **claim** made against such **subsidiary organisation** and any **insured person** during the **period of insurance**; of such **subsidiary organisation** and notified to **us** during the **period of insurance** or the **extended notification period**.

Provided always that:

- cover is only provided in respect of any **wrongful act** or **employment practice breach** committed prior to the date such entity ceased to be a **subsidiary organisation** and committed during the time such entity was a **subsidiary organisation**;
- cover is only provided for any **direct financial loss** resulting from **dishonest acts** committed prior to the date such entity ceased to be a **subsidiary organisation** and committed during the time such entity was a **subsidiary organisation** or otherwise covered by this **policy**;
- cover is not provided for any **wrongful act** or **employment practice breach** preceding the **retroactive date** shown in the **certificate of insurance**.

### 33. Spousal liability cover

**We** agree to pay on behalf of the lawful spouse of an **insured person** their liability for all **loss** as a result of an alleged **wrongful act**;

Provided always that **we** shall only indemnify the spouse in respect of **loss** arising from any **claim**:

- arising from a **claim** made against the lawful spouse only because they are the lawful spouse of the **insured person**;
- which is not brought by reason of the lawful spouse being knowingly or recklessly party to or involved in any **wrongful act**; and
- relating to **property** either jointly held by the **insured person** and their lawful spouse, or transferred by that **insured person** to their lawful spouse for legitimate purposes only.

Where a conflict arises between this **automatic extension** and exclusion 14 – **insured versus insured** of the **policy**, the provisions of this **automatic extension** shall prevail.

### 34. Tax Audit

**We** will refund **you** for **professional fees** incurred by **you** following completion of a **tax audit** and/or in connection with such **tax audit** first commenced and notified to **us** during the **period of insurance**, provided that:

- a) **you** have lodged all taxation and other returns for the period that is the subject of the **tax audit** and have paid all taxes within 90 days of the time limits prescribed by relevant legislation, or, where an extension is granted by the Commissioner of Taxation, within the further period granted;
- b) **you** have made full and complete declarations of all relevant liabilities, income and capital gains derived by **you**, of all Commonwealth, State or Territory taxation liabilities due to be paid or remitted by **you** during the audited period, and of all deductions, including capital losses or other amounts claimed by **you** in respect of the same period; and
- c) **you** respond to letters, requests and enquiries from the auditor within a reasonable time.

For this **automatic extension**, the **tax audit** commences at the time **you**, or **your** accountant or other financial adviser, registered tax agent or legal adviser, first receive notice that an auditor proposes to conduct a **tax audit** and is completed at the earliest of the following times:

- i. when the auditor has given written notice that the **tax audit** has been completed;
- ii. when the auditor notifies **you** that a concluded decision has been made;
- iii. when the auditor has issued an assessment or an amended assessment of **your** returns; or
- iv. in the absence of any of the above, when **you** declare in writing that the **tax audit** has been concluded.

The total amount **we** will pay under this **automatic extension** is sub-limited to the amount specified in the **certificate of insurance**. This sub-limit forms part of, and is not in addition to, the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available. No **excess** shall apply to this **automatic extension**.

### 35. Third party discrimination and sexual harassment

**We** will indemnify **you** or an **insured person** for liability for **loss** arising out of any **third party claim** alleging any **third party discrimination** or **third party sexual harassment**, which **third party claim** is first made against **you** or an **insured person** during the **period of insurance** and notified to **us** during either the **period of insurance** or the **extended notification period**.

The total amount **we** will pay under the **policy** under this **automatic extension** is sub-limited to \$1,000,000 in the aggregate.

This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available. The **policy excess** applicable to **Insuring clause 4 – Employment Practices Liability** will apply for any **claim** made under this **automatic extension**.

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## The Policy: Management Liability Insurance (continued)

### 36. Third party fidelity

**We** will indemnify **you** for liability for any **direct financial loss** caused by a **third party** committing a **dishonest act** against the **insured**, first **discovered** during the **period of insurance**.

For the avoidance of doubt **we** will indemnify **you** for any **direct financial loss** as the direct result of **social engineering fraud**, which is first discovered and notified to **us** during the **period of insurance**.

The total amount **we** will pay under this **automatic extension** shall not exceed the amount of the **third party** fidelity sub-limit specified in **certificate of insurance**. If no sub-limit is shown in the **certificate of insurance** then the maximum payable under this **automatic extension** is \$25,000. This sub-limit forms part of and is not in addition to the **aggregate policy limit**, the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

### 37. Waiver of excess

No **excess** shall apply to any **claim**, or **we** will reimburse **you** for any amount paid by **you** within the **excess**, where a final judgment is obtained in a civil court of competent jurisdiction and such judgment finds that **you** are not legally liable.

This extension shall not apply to any **claim** that is resolved or compromised by way of settlement, consent order, or other disposition prior to the delivery of such final judgment.

### 38. Whistleblower defence costs

**We** will indemnify **you** and any **insured person** for **defence costs** reasonably and necessarily incurred, with **our** prior written consent, in responding to any investigation, proceeding, or regulatory inquiry commenced as a direct result of a disclosure made by a whistleblower, provided always that:

- a) the disclosure was made on reasonable grounds to suspect a breach of law, regulation, or governance obligation; and
- b) the disclosure concerns the management, conduct, or governance of **your business**.

This extension shall not apply to:

- i. Any fines, penalties, or sanctions imposed by law;
- ii. Any investigation arising from fraud, dishonesty, wilful breach, or intentional misconduct by **you** or any **insured person**;
- iii. Any disclosure that is determined to be **malicious, knowingly false, or made without reasonable grounds**;
- iv. Any disclosure that relates solely to a personal employment grievance, unless such grievance forms part of a broader governance or compliance issue; or
- v. Any costs incurred without **our** prior written consent.

For the purpose of this extension only, whistleblower means any individual who makes a disclosure that qualifies for protection under:

- The whistleblower provisions of the Corporations Act 2001 (Cth);
- The **Aged Care Act 2024 (Cth)**; or
- Any equivalent or successor whistleblower protection legislation in force in Australia;

and includes any (whether current or former):

- an officer, **employee**, or contractor (including that contractor's **employees**);
- a volunteer, supplier, or service provider;
- an associate, relative, or dependant of any of the above;
- an **associated provider**; and
- any other person recognised as an eligible whistleblower under applicable law.

Coverage under this extension shall apply whether or not the whistleblower elects to remain anonymous, provided the disclosure is otherwise protected by law.

**Our** total liability under this extension shall not exceed AUD \$100,000 in the aggregate. This sublimit forms part of and is not in addition to the **aggregate policy limit** and the **limit of liability** and the **aggregate limit of liability** applicable to any **insuring clause** under which cover is available.

## Exclusions applicable to the policy

The **policy** does not cover, and **we** are not required to make any payment in respect of, any **loss**, **crisis loss** or **claim** directly or indirectly arising out of, attributable to or in connection with:

### 1. Asbestos

Asbestos or asbestos products or materials in any form or quantity or for defending any **claim** for such actual or alleged liability.

### 2. Breach of professional duty

- a) The rendering of, or failure to render, professional services or professional advice to any aged care recipient; or
- b) any breach or alleged breach of contract, duty, or statutory obligation in relation to the provision of professional services or professional advice.

Provided always that this exclusion shall not apply to:

- a) professional services or advice provided by an **insured person** in their capacity as a **director, officer, responsible person** or trustee of the **insured**, where such services or advice are provided internally to the **insured** and not directly to third parties; or
- b) any **claim** for a failure in the corporate governance framework or failure to implement or maintain the **information management system** as required under the **Aged Care Act 2024 (Cth)**, provided that no indemnity is afforded for the direct liability of any individual healthcare professional, **employee**, contractor, or **associated provider** in connection with the actual delivery of health and aged care services.

### 3. Change of Ownership

- a) any entity which acquires a majority or controlling interest in the **insured**; or
- b) any entity with which the **insured** merges or consolidates, or to which the **insured** transfers ownership of its **business**.

Provided always that this exclusion shall not apply to:

- (i) any otherwise covered **claim** arising from **wrongful acts** committed prior to the effective date of the change of ownership; or
- (ii) **defence costs** incurred by an **insured person** in responding to an investigation, inquiry, or proceeding relating to **wrongful acts** committed prior to such change of ownership.

### 4. Communicable Disease

Any:

- a) highly pathogenic avian influenza in humans;
- b) any disease determined to be a listed human disease pursuant to subsection 42(1) of the Biosecurity Act 2015 (Cth), or any amendment, replacement, or successor legislation;
- c) any pandemic or epidemic declared by the World Health Organisation; or
- d) any mutation or variation of the diseases described in (a) to (c).

Including any fear or threat thereof, or any action taken by a competent public authority in controlling, preventing, or suppressing such disease.

Provided always that this exclusion shall not apply to:

- a) **defence costs**, inquiry costs, or statutory liability otherwise covered under this **policy**, arising from an alleged failure of the **insured** or any **insured person** to comply with their governance, supervisory, or reporting obligations under the **Aged Care Act 2024 (Cth)**, or applicable occupational health and safety or workplace health and safety laws, in respect of infection control or communicable disease management; or
- b) any **Crisis Management and Reputational Response Costs**, provided such costs do not relate to direct **compensation** for bodily injury or illness.

**Our** total liability under this provision shall not exceed **AUD \$250,000 in the aggregate**, which forms part of and is not in addition to the **policy's limit of liability**.

### 5. Contractual liability

(Not applicable to **Insuring clause 1**)

Any actual or alleged liability assumed by the **insured** or any **insured person** under any contract, warranty, or guarantee, except to the extent such liability would have attached in the absence of such contract, warranty, or guarantee. This exclusion shall not apply to employment contracts, other than in respect of a warranty or guarantee.

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## The Policy: Management Liability Insurance (continued)

### 6. Employment Practices Coverage – Matters Not Covered

Any matter relating to:

- a) a contract of employment alleged to be harsh, unconscionable, or contrary to public interest;
- b) the seeking of relief in respect of a contract for service alleged to be unfair pursuant to the Fair Work Act 2009 (Cth), or similar industrial relations legislation in any state or territory of Australia or in New Zealand;
- c) any workers' compensation or Occupational Health and Safety Acts, or similar workplace legislation;
- d) the cost of physical modifications to premises, plant, or equipment owned or occupied by **you**;
- e) any **claim** brought about by, contributed to by, or involving industrial disputes (including strikes, pickets, lockouts, go-slow, or work-to-rule), whether between the entity and **insured persons** or between **employees**, unions, or otherwise; or
- f) any amount which **you** or an **insured person** is required to pay pursuant to a specific obligation imposed under a contract of employment, employment agreement, statute, award, or otherwise.

This exclusion applies in respect of cover provided under **Insuring clause 4 – Employment Practices Liability**.

### 7. Failure of investments

The failure of **your** investments or investments to perform to expectations, except where the failure is a direct result of a **wrongful act** unconnected with the performance of the investments and not otherwise excluded under this **policy**.

### 8. Financial institutions

**Your** operation of or involvement in the conduct of any merchant or investment bank, building society, credit union, finance company, insurance or reinsurance company, mortgage bank, savings or loan association, stock broker, fund manager, asset management company, superannuation fund or banking **business** as defined in the Banking Act 1959 (Cth).

### 9. Fines and penalties

Any:

- fine and/or **penalty** imposed by law;
- punitive, exemplary or aggravated or multiple damages;
- income tax and other fiscal taxes and duties or any surcharges/penalties applicable;

provided that this exclusion will not apply to cover provided under **Insuring clause 6 – Statutory Liability** other than if the **penalty** is attributable to any circumstances of which **you** or the **insured person** were aware that may give rise to the imposition of a **penalty** and steps could have been taken after such awareness to avoid any liability to have a **penalty** imposed.

### 10. Fraud and Dishonesty

Any:

- a) dishonest, fraudulent, criminal or malicious act or failure to act;
- b) act committed with the intention of causing harm or **loss** of any kind, or any conduct intended to mislead or deceive a claimant;
- c) act or failure to act committed with a reckless disregard for the consequences of such act or failure to act;
- d) condoning of any act or failure to act of the type referred to in this clause;
- e) deliberate breach of any statute or regulation;
- f) improperly benefiting from **securities** transactions as a result of information that was not available to other sellers and/or purchasers of such **securities**; or
- g) gaining an illegal advantage, by **you** or any person seeking the benefit of the **policy**.

Provided always that this exclusion shall not apply to cover provided to **you** or an innocent **insured person** under **automatic extension 12 – Dishonesty of Others**.

This exclusion shall apply only where the conduct in question has been established by admission, court judgment or other final adjudication. No fact pertaining to the conduct of, or knowledge possessed by, an **insured person** shall be imputed to any other **insured person** for the purpose of determining whether any part of this exclusion applies.

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## The Policy: Management Liability Insurance (continued)

### 11. Further Exclusions for Employee Fidelity and Third-Party Fidelity Risks

We will not pay for loss consisting of or which arises from or in connection with:

- **direct financial loss** arising out of or in any way connected with any **dishonest acts** committed, in whole or part, outside of Australia or New Zealand.
- **direct financial loss**:
  - i. first **discovered** prior to the commencement of the **period of insurance**; or
  - ii. first **discovered** after the end of the **period of insurance**, or the **discovery period** if applicable; or
  - iii. in any way connected with any **employee** or **third party** from the time any **director** or **officer** (who is not in collusion with such **employee** or **third party**) had actual knowledge that the **employee** or **third party** had committed or was suspected of having committed any fraudulent or **dishonest act**, even if it does not constitute a **dishonest act** as defined; or
  - iv. caused by any **employee** if a **director** or **officer** possessed at any time knowledge of any act or acts of theft, fraud or dishonesty committed by such **employee** prior to employment by the **insured** provided the act(s) involved money, securities or property valued at \$10,000 or more, or such **director** or **officer** failed to make reasonable enquiries prior to employment of such **employee**.
- **direct financial loss** arising out of or in any way connected with any fraudulent or dishonest activities, or involving collusion by or complicity, of:
  - i. a **director** who at the time of the **dishonest act** owns or controls more than 5% of the issued share capital of the **insured**; or
  - ii. any shareholder who, at the time of committing such acts, had direct or indirect ownership of or control over more than 5% of the voting share capital of the **insured** or any of its subsidiaries or any associated **insured**.
- Any indirect or consequential loss of any nature, including but not limited to:
  - i. any **loss** of income (such as interest and dividends) not realised by the **insured** or any other person or **organisation**; or
  - ii. any **costs** incurred by the **insured** in re-writing or amending the **insured's** software programs or systems where such re-writing or amending is necessary to correct the programs or systems; or
  - iii. any contractual penalties incurred by the **insured**; or
  - iv. any liability to a **third party**; or
  - v. any **costs**, fees or other expenses incurred by the **insured** in establishing a right under this **policy** (except as provided for under **Claims conditions and procedures clause 9 – Notification of direct financial loss**); or
  - vi. any **costs**, fees or other expenses incurred by the **insured** in prosecuting or defending any demand, **claim** or legal proceeding resulting from a **direct financial loss** which is covered under this **policy**.
- **direct financial loss** the proof of which is dependent solely upon:
  - i. profit and loss computation; or
  - ii. a comparison of inventory records with an actual physical count.

If, however, an **employee** is identified as having caused a **direct financial loss**, then inventory records and actual physical count of inventory can be submitted as partial evidence in support of proof of the **direct financial loss** as required by **Claims conditions and procedures clause 9 – Notification of direct financial loss**.
- **direct financial loss** arising out of or in any way connected with the accessing, use or dissemination of any confidential information including, but not limited to, proprietary information, trade secrets, computer programs, customer information, patents, trademarks, copyrights or processing methods.
- **direct financial loss** arising out of or in any way connected with:
  - i. the voluntary giving or surrendering of **money**, securities or other **property** in any exchange or purchase, unless such **direct financial loss** is directly caused by **dishonest acts** committed; or
  - ii. the complete or partial non-payment or default under any credit arrangement including any payments made or withdrawals from any customer account involving items which are not finally paid for any reason; or
  - iii. any trading in **securities**, whether or not in the name of the **insured** and whether or not in a genuine or fictitious account; or
  - iv. the forgery or alteration or fraudulent use of any credit card, store card, fuel card or other form of credit issued by the **insured** to **employees**, unless the provisions, conditions and other terms under which such credit card, store card or fuel card issued have been fully complied with by the **insured**.
- **any direct financial loss** occurring following forcible or violent entry to any premises occupied by an **insured** by any **third party** where such **third party** is acting alone and not in collusion with any **employee**.
- any **direct financial loss** connected with the issuing and drawing of cheques, account withdrawals or funds transfers sustained by the **insured** by reason of the absence of or failure to have a clear segregation of duties and procedures in connection with the issuing and drawing of cheques, account withdrawals or fund transfers in excess of \$5,000 in value.

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## The Policy: Management Liability Insurance (continued)

Such cheques, account transactions or fund transfers must be counter signed or authorised by another authorised officer who must, independently of the **employee** drawing the cheque, making account withdrawals or fund transfers, examine the supporting vouchers or requisitions or verify against an authorised payment list prepared and checked independently of the drawer of the cheque, or person making the account withdrawals or fund transfers.

- arising from **your** operation of or involvement in the conduct of any bank, building society, credit union, finance company, superannuation fund or banking business as defined in the Banking Act 1959 (Cth).
- fines, penalties compensation or damages including aggravated or exemplary damages for which the **insured** is legally liable.
- resulting or arising out of any **cyber-attack** or loss caused by a mechanical failure and/or programming error.
- damage or destruction of any land or buildings and/or fixtures and fittings thereon.

### 12. Illegal copies of programs

Any **data** reproduction fees, costs or expenses claimed under **automatic extension 8 – Data reproduction costs** where the reconstitution of **data** is required as a result of an **insured person** knowingly using illegal copies of programs.

### 13. Insolvency

- a) Any act, error, or omission which constitutes, or is alleged to constitute, insolvent trading under the Corporations Act 2001 (Cth) or any amending or successor legislation;
- b) any liability arising from or in connection with the **insured** entering into liquidation, administration, receivership, or any other form of insolvent administration; or
- c) any liability for, or in connection with, the repayment or management of Refundable Accommodation Deposits (RADs), Daily Accommodation Payments (DAPs), or any equivalent resident accommodation contributions, where such liability relates to the insolvency of the **insured**.

### 14. Insured versus insured

Any **claim** brought by **you**, or on **your** behalf, against any insured person or their estates, heirs, representatives, successors or assigns or brought by any **insured person** against **you** or any other **insured person**, other than as provided in **automatic extension 21 – Insured versus insured** cover of the **policy**.

### 15. Intellectual property rights

Any actual or alleged plagiarism, misappropriation, infringement or violation of copyright, patent, trademark, trade secret or any other intellectual **property rights**, **provided that this exclusion shall only apply to the cover** provided to **you** under **Insuring clause 3 – Entity Liability**.

### 16. Internet Technology Hazards Exclusion

1. Any **cyber-attack**, including but not limited to any unauthorised access to, corruption, theft, deletion, or destruction of electronic **data**, programs, or storage media, or the introduction or transmission of any computer virus, malware, ransomware, denial-of-service, or other malicious code or event;
2. the design, development, operation, maintenance, or failure of:
  - i. computer systems, software, applications (including artificial intelligence), digital platforms, or telecommunications infrastructure by **you** or on **your** behalf;
  - ii. any internet, intranet, extranet, website, or digital health or aged-care management platform operated by or on behalf of **you**; or
  - iii. any cybersecurity tools, systems, or protocols;
3. any breach or alleged breach of privacy laws, **data** protection laws, or any failure to secure, protect, or maintain the confidentiality of personal, sensitive, or health information;
4. any actual or alleged social engineering, phishing, or other fraudulent electronic communication designed to deceive or mislead **you**, an insured person, or any **employee**, contractor, or **associated provider** into transferring funds, assets, or confidential information; or
5. any unsolicited electronic dissemination of emails or other communications to multiple actual or prospective customers by **you** or any other third party, including actual or alleged violations of the Spam Act 2003 (Cth), amendments within the Competition and Consumer Act 2010 (Cth), or any other federal, state, or foreign anti-spam statute, law, ordinance, or regulation that prohibits or limits the sending, transmitting, communication, or distribution of material or information in any jurisdiction.

Notwithstanding the above, **we** will pay **defence costs** reasonably and necessarily incurred, with **our** prior written consent, in responding to any official investigation, inquiry, or proceeding brought by an **official body** alleging a breach of governance, management, or supervisory obligations of an **insured person** under:

- the **Aged Care Act 2024 (Cth)**; or
- the Privacy Act 1988 (Cth), to the extent it applies to the handling of resident or **client** health information.

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## The Policy: Management Liability Insurance (continued)

**Our** total liability under this automatic extension is limited to \$250,000 in the aggregate for the entire period of insurance. This sub-limit is part of, and not in addition to, the **aggregate policy limit**, the **limit of liability**, and the **aggregate limit of liability**.

### 17. Known claims or prior acts

Any:

- **wrongful act, trustee responsibility breach** or **employment practice breach** occurring prior to the **retroactive date** applicable to each of **Insuring clauses** 1 to 7;
- **known circumstance**; or
- facts or circumstances which were notified to **your insurer** under the provisions of any insurance **policy** in force prior to the commencement of the **policy**.

### 18. Lawful compliance

Any liability in respect of which **we** are legally prohibited from indemnifying **you** or an **insured person** under the laws of Australia or any other country in which a **claim** arises.

### 19. North American operations

Operations located in the United States of America, the Dominion of Canada or the territories or protectorates of those countries.

### 20. Nuclear risks

Any:

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

### 21. Personal injury and property damage

- a) **Personal injury**, death, harassment, or discrimination against any person; or
- b) **property damage**, or the sale, supply, storage, or manufacture of any goods.

This exclusion does not apply to cover provided under **Insuring clause 4 – Employment Practices Liability** or **automatic extension 35 – Third Party Discrimination and Sexual Harassment**.

### 22. Pollution

- The discharge, dispersal, release or escape of **pollutants**; or
- the cost of removing, nullifying or cleaning up **pollutants**; or
- the cost of preventing the escape of **pollutants**.

Provided that exclusion shall not apply to the **automatic extension 25 – Pollution defence costs**.

### 23. Product liability and product recall

- The manufacture, distribution and/or sale of products by or on behalf of the **insured**; or
- the recall of any products manufactured, distributed and/ or sold by or on behalf of the **insured**.

### 24. Property use or ownership

- Land, buildings, machinery and other fixed assets; or
- aircraft, watercraft or vehicle of any kind.

### 25. Prospectus liability and securities

The offer, issue, sale, purchase or transfer of **your securities** or the making of any representation for or in connection with such **securities** or any public or private offering of **securities**.

### 26. Sexual abuse

Any actual or alleged act of **sexual abuse** provided this exclusion shall not apply to any alleged sexual harassment in connection with an **employment practice breach**.

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## The Policy: Management Liability Insurance (continued)

### 27. Spam

Any unsolicited electronic dissemination of emails or other communications to multiple actual or prospective customers by the **insured** or any other **third party**, including actual or alleged violations of the Spam Act 2003 (Cth), taking into account amendments within the Competition and Consumer Act 2010 (Cth), or any other federal, state or foreign anti-spam statute or federal, state or foreign statute, law, ordinance or regulation that prohibits or limits the sending, transmitting, communication or distribution of material or information in any foreign jurisdiction.

### 28. Subsidiaries and related entity claims

Any **claim** brought by or on behalf of:

- an **organisation** or entity which is a **subsidiary organisation**; or
- an **outside entity** where the **claim** is made against **you** upon direct or indirect solicitation or enticement by an **insured person** occupying a directorship position on the board of such **outside entity**.

### 29. Superannuation benefits

- The payment or denial of any **superannuation benefit**, to a beneficiary of a Fund, other than in respect to **defence costs** of the **trustee**.

### 30. Tax audit

Any tax audit or investigation related to:

- amended notices/additional tax/fine/legal costs.
- the amount of any tax or other payment due or imposed by any amended notice of assessment including:
  - i. primary tax; or
  - ii. additional tax, duty, government impost; or iii) fines, interest or **penalty** imposed;
- costs in legally pursuing or defending any legal action, proceeding or process in a court of law or tribunal against **you** which arise as a result of a **tax audit**.
- **APRA** audit or an audit conducted by **APRA**.
- all costs;
  - i. arising directly or indirectly from or in respect of any criminal prosecution arising as a result of a **tax audit**; or
  - ii. arising directly or indirectly from or in respect of any tax return lodged outside Australia, its states or territories;
  - iii. incurred, that should have been incurred or that ordinarily would have been incurred for work done prior to or as part of the preparation of **your** accounts, returns, taxation and financial records prior to the lodgement of the **your** returns, taxation and financial records or any document required by the relevant legislation in connection with **your** returns.
- any **tax audit** where a return has been prepared lodged or submitted dishonestly or fraudulently, and where the supporting documents have been falsely created or collected.
- prior circumstances
  - i. any **claim** for professional fees under this **automatic extension** arising from any circumstances known to **you**, or any official, **employee**, or **volunteer** acting on **your** behalf, prior to the **period of insurance**; or
  - ii. verbal or written notice of an impending **tax audit** given to **you**, or any person or agent acting on **your** behalf, prior to the **period of insurance**; or
  - iii. a **tax audit** with a commencement date prior to the **period of insurance**.
- any **tax audit** where a return has been lodged on a date after the later of either:
  - i. 90 days after the lodgement date prescribed; or
  - ii. the date prescribed for lodgement by an authorised extension.
- any form of **managed investment**.
- professional fees which:
  - i. form part of an annual fixed fee or cost arrangement for taxation or accounting needs of **your** operations; or
  - ii. are incurred after the **tax audit** has been completed, including fees incurred in connection with any further review; or
  - iii. are ordinarily associated with the maintenance and upkeep of **your business** accounts, returns, taxation and financial records and the preparation prior to lodgement of accounts, returns, taxation and financial records as required by any relevant legislation.
- any routine enquiries, or enquiries from the **auditor**, which are not identified as being either preliminary to, or relating to a **tax audit** of a return.
- any **tax minimisation schemes**.

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## The Policy: Management Liability Insurance (continued)

### 31. Third party discrimination or sexual harassment

**Third party discrimination or third party sexual harassment**, other than as provided under **automatic extension 35 – Third party discrimination and sexual harassment**.

### 32. Trade and administration transactions

Any **claim** based upon or in consequence of:

- any trading or **business** debt incurred by **you**; or
- the failure to collect contributions for any superannuation or pension fund or to remit such monies to any superannuation or pension fund.

### 33. Trade practices

any actual or alleged breach of any law, regulation, or provision relating to trade practices, business competition, consumer protection, or unfair trade, including but not limited to the Competition and Consumer Act 2010 (Cth), any State Fair Trading Act, or similar legislation in any jurisdiction, including any penal or criminal provisions.

### 34. Trustees liability

Any liability as a **trustee** or the failure of the **organisation** to pay into, or collect contributions for, a fund or **trust** as required by law and/or a fund trust deed except as provided under **Insuring clause 5 – Trustees Liability** and **automatic extension 24 – Personal injury cover for trustees**.

### 35. Waiver of rights

If **you** have agreed not to seek compensation from another person who is liable to compensate **you** for any **loss**, damage or liability which would have been covered by this **policy**, **we** will not cover **you** under this **policy** for that **loss**, **damage** or liability other than to the extent provided under any section of this **policy** or agreed by **us** in writing.

### 36. War and terrorism

- War, invasion, act of foreign enemy, hostilities or warlike activities operations (whether war is formally declared or not), civil war, insurrection, rebellion, civil uprising commotion assuming the proportions of or amounting to a popular rising, mutiny, military rising, military or usurped power, revolution;
- confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority, except to the extent that such an order arises as a result of any **wrongful act** committed by any **director** or **officer**; or
- any **terrorism act**, regardless of any other cause or event contributing concurrently or in any other sequence to the **loss**, or **crisis loss**, or any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to a **terrorism act**.

### 37. Workplace Obligations and Disputes

Any **claim** by an **employee** arising from

- The employment of any person by **you**;
- any employment dispute; or
- leave, worker's compensation, disability benefits, unemployment benefits, redundancy or severance payments, retirement benefits, social security benefits, superannuation benefits, **employee** underpayment or any similar employment obligations, other than as provided under **Insuring clause 4 – Employment Practice Liability**.

### 38. Worldwide Punitive Damages Clause

Any punitive, exemplary, aggravated or multiplication of compensatory damages, imposed by a court of law or under any statute or government regulation.

## Conditions applicable to the policy

### 1. Allocation of costs

If a **claim** or **loss** is covered only partly by the **policy**, and the parties are unable to agree upon an allocation between insured and uninsured portions, the allocation shall be referred for determination to a **senior counsel** (to be agreed upon or in default of agreement to be nominated by the Chair or President of the local Bar Council) whose determination shall be binding upon the parties and whose fee shall for the purpose of the **policy** be regarded as part of the **defence costs**. The allocation shall apply also to payments made before the determination.

Any allocation or advancement on account of any amount under this **policy** will not create any presumption with respect to the final allocation of a **claim** or **loss**.

### 2. Assignment

The **policy** cannot be assigned by **you** or any **insured person** entitled to indemnity under the **policy**.

### 3. Authorisation clause

The persons, entities or organisations named as the **insured** in the **certificate of insurance** agree to act on behalf of all other persons, entities or organisations **insured** by this **policy**, and each of those other persons, entities or organisations agree that the persons, entities or organisations named as the **insured** in the **certificate of insurance** may act on their behalf with respect to the giving and receiving of any notice of cancellation, the payment of premiums, the receiving of any return premiums that may become due and the acceptance of **endorsements** or other notices provided for; and **you** warrant that these individuals and entities have authorised **you** to act on their behalf.

(other than those which derogate from the covers given under **automatic extension 9 – Dedicated excess limit of liability for insured person**).

### 4. Cancellation

**You** may cancel the **policy** at any time by notifying **us** in writing. **We** can cancel the policy in accordance with s.60 of the **Insurance Contracts Act 1984 (Cth)**. In the event of cancellation, **we** will be entitled to retain premium for the period during which the **policy** has been in force.

### 5. Confidentiality

Neither **you** nor an **insured person** shall disclose the nature of the liabilities covered by the **policy** or the premium specified in the **policy**, unless required by law.

### 6. Governing law and jurisdiction

This insurance **policy** shall be governed by and construed in accordance with the laws of the Commonwealth of Australia and the State or Territory where the **policy** was issued. Any disputes shall be exclusively subject to determination by the courts of that State or Territory or of the Commonwealth of Australia.

### 7. Geographic limits

Except for **claims** arising under **Insuring clause 4 – Employment Practices**, **Insuring clause 6 – Statutory Liability**, **automatic extension 14 – Employee fidelity** and **automatic extension 36 – Third party fidelity**, the indemnity provided by the **policy** shall apply to **wrongful acts** occurring anywhere in the world; Provided always that indemnity does not extend to:

- actions brought in or determined pursuant to the law of, the United States of America or the Dominion of Canada, or their Territories or Protectorates;
- any **claim** arising out of the enforcement of judgments, orders or awards obtained in or determined pursuant to the laws of the United States of America or the Dominion of Canada, or their territories or protectorates; or
- any country where **you** are required by the law of that country to have in force a local policy of insurance covering liability arising from any such **wrongful acts**.

For **claims** arising under **Insuring clause 4 – Employment Practices**, **Insuring clause 6 – Statutory Liability**, **automatic extension 14 – Employee fidelity** and **automatic extension 36 – Third party fidelity**, cover is restricted to **wrongful acts**, **employment practices breaches** and **direct financial losses** occurring within Australia.

### 8. Goods and Services Tax

Where **we** make a payment under the **policy** for the acquisition of goods, services or other supply, **we** will reduce the amount of the payment by the amount of any input tax credit that **you** or the **insured person** are or will be entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth), in relation to that acquisition, whether or not that acquisition is actually made.

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## The Policy: Management Liability Insurance (continued)

Where **we** make a payment under the **policy** as **compensation** instead of payment for the acquisition of goods, services or other supply, **we** will reduce the amount of payment by the amount of any input tax credit that **you** would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth) had the payment been applied to acquire such goods, services or other supply.

If any **excess** applies to a liability or **loss** otherwise covered under the **policy** and **you** or the **insured person** are entitled to claim an input tax credit under A New Tax System (Goods and Services Tax) Act 1999 (Cth) in respect of such liability or **loss** then the amount of that input tax credit shall not be taken to erode the **excess** for the purposes of the **policy**.

### 9. Investigatory costs and payments

Any costs incurred by **us** investigating any fact, situation or circumstance which may give rise to a **claim** shall be deemed for all purposes of the **policy** to be **defence costs** incurred under the **policy**.

Any amount paid by **us** in settlement of a dispute which may otherwise become a **claim**, shall be deemed for all purposes of the **policy** to be a **loss** incurred under the **policy**.

### 10. Legal enforceability

The **policy** or any of the indemnities set out are not operative or enforceable unless **our** agreement to provide such indemnity and the amount thereof is evidenced by a **certificate of insurance** or **endorsement** issued by **us** and signed on **our** behalf by an authorised person.

### 11. Merger or consolidation

If the **insured** merges or is consolidated with or becomes the subsidiary company of another entity during the **period of insurance**, **we** will continue to provide the indemnities available under the **policy** to **you**, **your** subsidiary companies and **insured persons**, until the expiry of the **period of insurance** or prior cancellation of the **policy** in respect of **wrongful acts** preceding the time of such merger, consolidation or acquisition.

### 12. Non-accumulation

Where **you** or an **insured person** are covered under the **policy** in respect of a **claim** or **loss** and are also entitled to cover under another insurance policy issued by **us**, then **our** liability under the **policy** shall not be increased and **our** maximum liability under all such policies in the aggregate shall not exceed the highest **limit of liability** (and subject to any applicable aggregate limit) available under those policies in respect of such **claim** or **loss**.

### 13. Notice

Any provision of the **policy** requiring notices and communications to be given in writing will be deemed to be complied with if delivered to the recipient electronically.

### 14. Payment of premium

**You** must pay the premium specified in the **certificate of insurance** within 30 days of the inception of the policy or such other time as **we** agree in writing. If **you** fail to pay the premium within that period, **we** are entitled to cancel the **policy** in accordance with the Insurance Contracts Act 1984 (Cth).

### 15. Sanctions

**We** shall not be required to pay any **claim** or provide any benefit hereunder to the extent that the provision of such cover, payment of such **claim** or provision of such benefit would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, New Zealand, European Union, United Kingdom or United States of America.

### 16. Severability and non imputation

In determining cover under the **policy**:

- the written **proposal** shall be construed to be a separate application for cover by **you** and by each of the **insured persons**. No statement or representation in or with respect to the proposal by an **insured person** shall be imputed to any other **insured person**;
- no breach of any term or condition of the **policy** or other misconduct by any **insured person** shall be imputed to any other **insured person**;
- no fact or knowledge possessed by one **insured person** shall be imputed to any other **insured person**; and
- any fact or knowledge possessed by any past or present **director**, chief executive officer, chief operating officer or chief financial officer shall be imputed to the **insured**.

## Claims conditions and procedures applicable to the policy

### 1. Additional parties

**We** agree that where this **policy** insures more than one party, any failure on the part of any of the parties to:

- comply with the duty of disclosure under the Insurance Contracts Act 1984 (as amended or replaced); or
- comply with any obligation under this **policy** (other than the obligation to pay premium); or
- refrain from conduct which is dishonest, fraudulent, criminal or malicious; or
- refrain from making a misrepresentation, shall not prejudice the right of the remaining party or parties to indemnity under this **policy**, provided that such remaining party or parties shall:
- be entirely innocent of and have had no prior knowledge of any such failure; and
- as soon as practicable after becoming aware of any such failure, advise **us** in writing of all its relevant circumstances.

Where this **policy** insures more than one party, it shall apply to each party in the same manner as if a separate **policy** had been issued to each of them, provided that, in so doing, **our limit of liability** or the sum insured shown in the **certificate of insurance** in respect of any one event or **claim** (and any **aggregate limit of liability** that may be applicable) for the **period of insurance** shall not be increased.

**We** agree to waive all rights of subrogation or action which **we** may be entitled to against any party to whom cover under this **policy** extends.

### 2. Basis of valuation of direct financial loss

For any **direct financial loss** covered under this **policy**, **we** are not liable for more than:

- i. the actual market value of **securities** and **money** at the close of business on the day the **direct financial loss** was first **discovered** (determined by the value published in the Australian Financial Review), or the actual cost of replacing **securities** and **money**, whichever is less;
- ii. the actual cash value of other **property** (not referred to in (i) above) at the close of business on the day the **direct financial loss** was first **discovered**, or the actual cost of replacing the **property** of like quality or value, whichever is less;
- iii. the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of **data** furnished by the **insured** in order to reproduce books of account and other records.

### 3. Changes

Every change materially affecting the facts or circumstances existing at the commencement of this insurance, or at any subsequent renewal date, must be notified to **us** in writing immediately after such change comes to the notice of the persons, entities or organisations named as the **insured** in the **certificate of insurance**. **We** will advise **you** in writing if an additional **excess**, additional premium or additional terms or conditions are applied to **your policy**.

To continue to be covered **you** must agree to pay any additional premium **we** may require.

**We** may also decide to cancel the **policy**, if permitted, in accordance with the provisions of the **Insurance Contracts Act 1984** (Cth) and return any refund of premium to **you**.

If **you** do not notify **us** of a material change, **you** may not be covered under **your policy** or **we** may reduce the amount that **we** are liable to pay **you**.

### 4. Election to contest claim

If **you** refuse to consent to any settlement recommended by **us** and elect to contest or continue any legal proceedings in connection therewith, **our** liability for the **claim** shall not exceed the amount for which the **claim** could have been so settled, less the applicable **excess**, plus **defence costs** incurred up to the date of such refusal.

### 5. Fraudulent claims

As a protection for all insurance parties holders **we** reserve the right to 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 **policy**.

### 6. Mitigation

**You** are required, at **your** expense, to use all due diligence and take all reasonable steps to minimise any **claim** and to prevent further **claims** arising out of the same or similar conditions and avoid or diminish any **loss** hereunder.

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## The Policy: Management Liability Insurance (continued)

### 8. Notification of claims

**You** must notify **us** in writing of any **claim** made against **you** during the **period of insurance** and forward to **us** every letter of demand, originating process (whether by way of writ, summons, statement of **claim**, third party notice, counter-claim or cross-claim), notice of any prosecution, inquiry, **investigation** or inquest which **you** receive as soon as practicable after the **claim** has been made.

All notices to **us** under any provisions of the **policy** must be given in writing to: GPO Box 1655 Melbourne VIC 3001 or email to insure@ansvar.com.au

### 9. Notification of direct financial loss

**You**, as a condition precedent to **our** obligations under this **policy**, give written notice to **us** of any **direct financial loss** as soon as reasonably practicable within the **period of insurance**, or within the **discovery period** if applicable, but in any event not later than 60 days after any **direct financial loss** is first **discovered**. **We** can consider extending this period upon **your** request and **our** decision will not be unreasonably withheld. **You** may offer a comparison between **your** inventory records and actual physical counts of its inventory to prove the amount of **loss** only where **you** establish that, wholly apart from such comparison, **you** have sustained a covered **loss** caused by an **employee**.

The **insured** must, at its own cost, also:

- i. provide **us** with affirmative proof of the **direct financial loss** with full particulars within six months of the **direct financial loss** being first **discovered**. **We** can consider extending this period upon **your** request and **our** decision will not be unreasonably withheld, and
- ii. provide **us** with all requested information and documents and co-operate with **us** in a reasonable manner on matters pertaining to the **direct financial loss**.

### 10. Other insurance

If at the time any **claim** is notified arises under the **policy** there is any other insurance in force covering the same liability, **you** must promptly notify **us** of the full details of such other insurance, including the identity of the insurer and the policy number, and such further information as **we** may reasonably require.

### 11. Senior counsel

Neither **we** nor **you** shall be required to contest or settle a **claim** unless a **senior counsel** shall advise such a **claim** should be contested or settled. In formulating their advice, the **senior counsel** must have regard to **your** prospects of successfully defending the **claim**, the likely damages awarded and costs recovered by the claimant, and the likely **defence costs** associated with the **claim**.

**We** may nominate a **senior counsel** to provide the advice and **you** must notify **us** if **you** agree to the appointment of the individual nominated. If **you** do not agree to the appointment within a reasonably practicable time, **senior counsel** will be appointed by the president of the relevant bar association in the state or territory in which the **claim** has been made.

The costs of **senior counsel** are included in the **defence costs** in respect of the **claim**.

### 12. Settlement of claims, co-operation and conduct of proceedings

**You** must not make any admission of liability, offer, and promise of payment or take any action that may be considered to be an admission of liability, settle or repudiate a **claim** or incur any costs and expenses without **our** prior written consent, such consent which cannot be unreasonably withheld.

**We** will have discretion, after taking into consideration **your** interest and preference, in the conduct and defence, in **your** name and on **your** behalf (including to take over and conduct), of any proceedings in connection with, and in the settlement of any **claim** and **you** shall give all such information and assistance as **we** may require.

**You** shall as soon as reasonably practicable give all such information and assistance to **us** as **we** may reasonably require to enable **us** to investigate and to defend the **claim** and/or to enable **us** to determine **our** liability under the **policy**.

**We** may take whatever reasonable action that **we** consider appropriate in respect of the **claim** against **you** and such action by **us** will not be regarded in any way prejudicing **our** position under the **policy** and no admission of the entitlement to indemnity under the **policy** shall be implied.

**We** will be entitled to attend any **investigation** or fatal accident inquiry in respect of which there may arise any liability under the **policy**.

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## The Policy: Management Liability Insurance (continued)

### 13. Settlement of direct financial loss

If **you** notify **us** of a **direct financial loss** and **we** accept the notification under this **policy**, then subject to the **insured's** compliance with Exclusion 19 – Known claims or prior acts above, a **loss** adjuster will be appointed by **us** to establish proof of any element or part of the **direct financial loss** not yet accepted by **us**.

The adjuster shall:

- i. investigate the facts behind such unproven **direct financial loss**; and
- ii. determine the quantum of such unproven **direct financial loss**, and
- iii. advise when and how **your** controls were or may have been breached; and
- iv. provide recommendations which may prevent future similar **direct financial loss**; and
- v. issue their findings in a report format approved by **us**; and
- vi. provide a copy of the report to **you**.

The report of the **loss** adjuster will not be binding and definitive as to the facts and quantum of such unproven **direct financial loss**.

**We** will pay for the reasonable and necessary fees, costs and expenses of the **loss** adjuster provided the unproven **direct financial loss** is ultimately determined to be covered under this **policy**. If that part of the **direct financial loss** is determined not to be covered under this **policy**, **you** will pay the said fees, costs and expenses of the **loss** adjuster.

Any amount of the **loss** adjusting fees paid by **us** under this condition of the **policy** will be paid in addition to the **limit of liability**, and will not be the subject of any **excess**.

### 14. Subrogation

- i. If any payment is made under the **policy** in respect of a **claim**, **we** will be subrogated to all **your** rights and will be entitled to pursue and enforce such rights in **your** name and **you** are required to provide **us** with all reasonable assistance and co-operation.
- ii. In respect of **automatic extensions 14 – Employee fidelity** and **36 – Third party fidelity** **we** may at any time and at **our** own expense exercise **our** rights of subrogation against any **third party** or **employee** where it has been found they have committed **dishonest acts** resulting in a **direct financial loss** that **we** have paid or will be liable to pay under the **policy**.



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