Online Medical Malpractice Civil Liability

For healthcare establishments and health professionals
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Introduction

Please read the policy carefully to ensure that it meets your requirements. It is written on a claims made and notified basis, which means that, subject to the ‘Continuous Cover’ clause, it will only respond to claims first made against the insured and notified to the insurer during the policy period.

Any word or expression to which a specific meaning has been attached shall bear that specific meaning wherever it may appear.

You received important notices about your duty of disclosure, unusual terms in medical malpractice insurance policies and our privacy statement prior to purchasing this policy. The notices are replicated at the back of this document for your reference.

Policy wording

The Policyholder and the Insurer agree that the Insurer will provide insurance in accordance with the terms of this Policy.

1. Insuring clause

The Insurer will indemnify the Insured against civil liability for compensation and claimant’s costs and expenses in respect of any Claim first made against the Insured during the Policy Period and notified to the Insurer during the Policy Period resulting from the conduct of the Healthcare Services.

2. Limit of indemnity and maximum aggregate limit of indemnity

The liability of the Insurer for compensation and claimant’s costs and expenses in respect of any one Claim first made against the Insured and notified to the Insurer during the Policy Period shall not exceed the Limit of Indemnity.

The aggregate liability of the Insurer under this Policy will not exceed the Maximum Aggregate Limit of Indemnity for all Claims first made against the Insured and notified to the Insurer during the Policy Period.

3. Defence costs

If the ‘Basis of Limit’ in the Schedule is specified as ‘Costs in Addition’, the Insurer will, in addition to the Limit of Indemnity, pay Defence Costs for Claims covered under this Policy, provided that if the total amount of compensation and claimant’s costs and expenses required to dispose of any one Claim exceeds the Limit of Indemnity, the liability of the Insurer for Defence Costs shall be only that proportion of them that the Limit of Indemnity bears to the total amount of compensation and claimant’s costs and expenses required to dispose of the Claim.

If the ‘Basis of Limit’ in the Schedule is specified as ‘Costs Inclusive’, the Insurer will pay Defence Costs for Claims covered under this Policy, provided that the liability of the Insurer for compensation, claimant’s costs and expenses and Defence Costs in respect of any one Claim shall not exceed the Limit of Indemnity and the liability of the Insurer for compensation, claimant’s costs and expenses and Defence Costs in respect of all Claims shall not exceed the Maximum Aggregate Limit of Indemnity.

4. Excess

If the Excess is specified as ‘Costs Inclusive’ in the Schedule, the Principal Policyholder must pay the amount of any compensation, claimant’s costs and expenses or Defence Costs that are collectively less than the Excess for any one Claim. The Insurer has no liability for the amount of compensation, claimant’s costs and expenses or Defence Costs that is less than the Excess for any one Claim.

If the Excess is specified as ‘Costs Exclusive’ in the Schedule, the Excess does not apply to Defence Costs but the Principal Policyholder must pay the amount of any compensation and claimant’s costs and expenses that are collectively less than the Excess for any one Claim. The Insurer has no liability for the amount of compensation or claimant’s costs and expenses that is less than the Excess for any one Claim.

The Excess is deducted from compensation, claimant’s costs and expenses or Defence Costs payable before the application of the Limit of Indemnity.

The Principal Policyholder must pay the amount of any Inquiry Costs that is less than the Excess for any one notice. The Excess is deducted from Inquiry Costs payable before the application of the ‘Inquiry Costs Limit’ specified in the Schedule. The Insurer has no liability for the amount of Inquiry Costs that is less than the Excess for any one notice.

The Principal Policyholder agrees that the Excess must be borne by the Principal Policyholder and is to remain uninsured.

5. Aggregation of claims and notices

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

For the purposes of extension 7.7 ‘Inquiry Costs’, all notices arising out of, based upon, attributable to or in respect of any one inquiry or hearing shall be considered to be one notice and shall attract one Excess.
6. Insurance clarification

For the purposes of clarifying the scope of cover under 1. ‘Insuring Clause’ of this Policy, civil liability includes:

6.1 Consumer Protection Legislation

Claims for civil liability for compensation resulting from breach of a statutory duty under the Competition and Consumer Act 2010 (Cth), Corporations Act 2001 (Cth), National Consumer Credit Protection Act 2009 (Cth) or similar legislation enacted for the protection of consumers, within any Australian jurisdiction including any amendment, consolidation or re-enactment of such legislation, to the extent that such Claims are not otherwise excluded under this Policy.

6.2 Contractual liability

Contractual liability, provided that:

1. the Insurer will not be liable for any liability assumed by the Insured under any express warranty, guarantee, hold harmless agreement, indemnity clause or the like unless such liability would have attached to the Insured in the absence of such agreement; and

2. where a Claim is an alleged breach of contract the Insurer will not reduce their liability by the mere fact that contributory negligence is not available as a defence.

6.3 Intellectual property

Infringement of rights of intellectual property, provided that the act, error or omission by the Insured is unintentional and is committed in the conduct of the Healthcare Services.

6.4 Libel or slander

Libel or slander, provided that:

1. the libel or slander is committed by the Insured in the conduct of their Healthcare Services; and

2. the Insured did not intend to commit the libel or slander with express malice.

6.5 Liability for acts, errors or omissions of contractors and consultants

Acts, errors or omissions of contractors and consultants, provided that the Insurer will only indemnify the Insured for its civil liability for the Healthcare Services provided by the contractor and/or consultant. Indemnity will not extend to the contractor and/or consultant who committed the act, error or omission.

6.6 Privacy complaints

Unintentional breach of any duty of confidentiality owed to a patient arising at law or any unintentional breach of the Privacy Act 1988 (Cth), Health Records and Information Privacy Act 2002 (NSW), Health Records Act 2001 (Vic) or Health Records (Privacy and Access) Act 1997 or similar privacy legislation in Australia or New Zealand.

7. Extensions

These ‘Extensions’ are subject to all the terms of the Policy, unless otherwise stated. The total of all payments made under the ‘Extensions’ will be part of and not in addition to the Limit of Indemnity and the Maximum Aggregate Limit of Indemnity, unless otherwise stated.

7.1 Compensation for court attendance

The Insurer will pay the Policyholder compensation if legal advisers, acting on behalf of the Insured with the consent of the Insurer, require any Principal or Employee to attend court as a witness in connection with a Claim covered under this Policy first made and notified to the Insurer during the Policy Period, but only in circumstances where the Policyholder actually pays the Principal or Employee for their time. Such compensation by the Insurer will be at the rate equivalent to such Principal’s or Employee’s daily take home salary or wage up to a maximum of $250 per person for each day on which attendance is required subject to a maximum of $10,000 for all persons for any one Claim.

7.2 Continuous cover

Where the Insured:

1. first became aware of facts or circumstances that might give rise to a Claim, prior to the Policy Period; and

2. had not notified the Insurer of such facts or circumstances prior to the Policy Period,

then exclusion 9.1.1 ‘Prior Claims or Known Circumstances’ will not apply to any notification during the Policy Period of any Claim resulting from such facts or circumstances, provided that:

(a) there is an absence of fraudulent non compliance with the Insured’s duty of disclosure and an absence of fraudulent misrepresentation by the Insured in respect of such facts or circumstances; and

(b) the Policyholder has been continuously insured, without interruption at the time of the notification of the Claim to the Insurer, under a professional indemnity policy issued by the Insurer and was insured by the Insurer at the time when the Insured first became aware of such facts or circumstances; and

(c) the Insurer may reduce its liability under the Policy to the extent of any prejudice the Insurer may suffer in connection with the Insured’s failure to notify the facts or circumstances giving rise to a Claim prior to the Policy Period.
7.3 Dishonesty of employees and principals/Medicare benefits fraud

The Insurer will, notwithstanding exclusion 9.2.5 ‘Dishonest, Fraudulent or Criminal Acts’, indemnify the Insured against civil liability for compensation and claimant’s costs and expenses in respect of any Claim first made against the Insured and notified to the Insurer during the Policy Period resulting from any dishonest, fraudulent, criminal or malicious act or omission, including but not limited to Medicare Benefits Fraud by any Employee or Principal occurring or committed in connection with the Healthcare Services.

The Insurer will pay Defence Costs on the basis already set out in this Policy.

Nothing in this extension shall require the Insurer to indemnify any Employee or Principal who has perpetrated any such dishonest, fraudulent, criminal or malicious act or omission or any Insured who by act or omission has condoned any such dishonest, fraudulent, criminal or malicious act or omission.

7.4 Extended reporting period

In the event that this Policy is neither renewed nor replaced at the end of the Policy Period with insurance that covers substantially the same risk exposure as this Policy, the Principal Policyholder will be entitled to purchase an extended reporting period of 365 days.

The Principal Policyholder will not be entitled to purchase an extended reporting period if the Policyholder is Insolvent during the Policy Period.

The extended reporting period begins immediately following the expiry of the Policy Period and ends on the earlier of 4 p.m. L.S.T. on the three hundred and sixty fifth day thereafter, or at the time on the effective date on which the Policyholder obtains insurance that covers substantially the same risk exposure as this Policy.

The additional premium for the extended reporting period will be 100% of the Full Annual Premium. If the extended reporting period ends because the Policyholder obtains insurance that covers substantially the same risk exposure as this Policy then the Insurer will retain a short term premium calculated at the pro rata proportion of the additional premium plus ten percent and the Principal Policyholder will receive a refund of any balance of the premium, unless there have been any notifications during the Policy Period or the extended reporting period, in which case no refund shall be given.

The entitlement to purchase the extended reporting period lapses upon expiry of the Policy Period.

The application to purchase the extended reporting period must be received by the Insurer prior to the expiry of the Policy Period, and payment of the additional premium must be made to the Insurer within thirty days of the same date.

During the extended reporting period the Insured may continue to notify the Insurer of Claims, but only Claims based on any act, error or omission committed or alleged to have been committed prior to expiry of the Policy Period.

Any notification to the Insurer during this extended reporting period will be deemed to have been first notified to the Insurer during the Policy Period.

7.5 Former subsidiary

The indemnity provided by 1. ‘Insuring Clause’ is extended to cover the conduct of the Healthcare Services by any former Subsidiary of the Policyholder that is specified in the Proposal, provided that such indemnity shall only apply in respect of civil liability arising out of any act, error or omission occurring prior to the date such Subsidiary ceased to be a Subsidiary of the Policyholder.

The Insurer will pay Defence Costs on the basis already set out in this Policy.

7.6 Good samaritan acts

The Insurer will indemnify the Insured against civil liability for compensation and claimant’s costs and expenses in respect of Claims first made against the Insured and notified to the Insurer during the Policy Period resulting from the rendering of or failure to render first aid and assistance in an emergency situation or accident, except when such Insured is engaged in a professional capacity by another person or entity. In the event of a conflict between this extension and exclusion 9.2.3 ‘Childbirth,’ this extension shall apply.

7.7 Inquiry costs

The Insurer will indemnify the Insured for Inquiry Costs, provided that:

(a) the notice requiring the Insured’s response or attendance is first received by the Insured and notified to the Insurer during the Policy Period;

(b) such response or attendance arises directly from conduct allegedly committed by the Insured in conducting the Healthcare Services;

(c) such indemnity is subject to the written consent of the Insurer prior to the incurring of the Inquiry Costs;

(d) the Insurer is entitled, at its discretion, to appoint legal representation to represent the Insured at the inquiry or hearing;

(e) regular or overtime wages, salaries or fees of the Insured are excluded from this indemnity; and

(f) the total liability of the Insurer for all Inquiry Costs under this extension will not exceed in the aggregate, during the Policy Period, the ‘Inquiry Costs Limit’ specified in the Schedule.

If there is an entitlement to indemnity for Inquiry Costs for an inquiry or hearing under extension 7.11 ‘Molestation Defence Costs and Inquiry Costs’ then there is no entitlement to indemnity for Inquiry Costs in respect of that inquiry or hearing under this extension.
7.8 Joint venture liability
The Insurer will indemnify the Insured against civil liability for compensation and claimant’s costs and expenses in respect of any Claim first made against the Insured and notified to the Insurer during the Policy Period resulting from the Policyholder’s participation in any joint venture in connection with the Healthcare Services provided that:
(a) the indemnity given shall only relate to the Policyholder’s proportion of any liability incurred by such joint venture; and
(b) the Policyholder’s income derived from participation in such joint venture shall have been included in the calculation of income furnished by the Policyholder for the purposes of calculating the Full Annual Premium for this Policy.
The Insurer will pay Defence Costs on the basis already set out in this Policy.

7.9 Legal consultation
The Policyholder is entitled to up to two hours legal advice from the ‘Legal Adviser’ specified in the Schedule (or their delegate) on any matter related to the risks insured under this Policy, except in relation to the scope of cover provided under this Policy, or claims, disputes or complaints against the Insurer, provided that:
(a) the legal advice is sought during the Policy Period;
(b) the Policyholder must provide the legal adviser with the policy number, Policy Period and name of the Policyholder; and
(c) the legal advice is limited to one hour in relation to any particular matter.
The cost of the legal advice is to be paid by the Insurer and not the Policyholder.

7.10 Lost documents
The Insurer will, in the event of loss of or damage to Documents occurring in connection with the Healthcare Services, indemnify the Policyholder against all costs and expenses reasonably incurred by the Policyholder in replacing or restoring such Documents provided that:
(a) such loss or damage is sustained during the Policy Period while the Documents are either in transit or in the custody of the Policyholder or of any person to whom the Policyholder has entrusted them in the course of the normal conduct of the Healthcare Services;
(b) where the Documents are in electronic format, the Policyholder or any person to whom the Policyholder has entrusted them, have in place sufficient and proper procedures for the security and the daily back-up of the Documents;
(c) the amount of any claim for such costs and expenses shall be supported by bills and accounts which shall be subject to approval by a solicitor to be nominated by the Insurer with the consent of the Policyholder or if such consent is withheld, by the President of the Law Society of the State where the Policy was issued;
(d) the Insurer will not be liable in respect of loss or damage caused by riot or civil commotion;
(e) the Insurer will not be liable in respect of loss or damage caused by fading, mould, vermin, pest infestation, wear, tear or any other gradually operating cause; and
(f) the total liability of the Insurer for all costs and expenses under this extension will not exceed in the aggregate, during the Policy Period, the ‘Lost Documents Limit’ specified in the Schedule.

7.11 Molestation defence costs and inquiry costs
Notwithstanding exclusion 9.2.5 ‘Dishonest, Fraudulent or Criminal Acts’, the Insurer will indemnify the Insured for:
(a) Defence Costs for Claims arising from; and
(b) Inquiry Costs in respect of:
any actual or alleged molestation of, interference with, mental abuse of or physical abuse of persons by an Employee or Principal of the Insured, but not by any person performing any volunteer service for or on behalf of the Insured, provided that in respect of Inquiry Costs:
(i) the notice requiring the Insured’s attendance at the inquiry or hearing is first received by the Insured and notified to the Insurer during the Policy Period; and
(ii) such attendance arises directly from conduct allegedly committed by the Insured in carrying on the Healthcare Services; and
(iii) such indemnity is subject to the written consent of the Insurer prior to the incurring of the Inquiry Costs; and
(iv) regular or overtime wages, salaries or fees of the Insured are excluded from this indemnity.

Nothing in this extension shall require the Insurer to indemnify any Employee or Principal who has perpetrated any such act of molestation, interference, mental abuse or physical abuse or any Insured who by act or omission has condoned any such act. If it is found by way of an admission by the Insured, judgment or adjudication that such Insured did in fact commit or condone such molestation, interference, mental or physical abuse then any Defence Costs or Inquiry Costs indemnified under this extension must be repaid by such Insured within thirty days following a request by the Insurer for such repayment.
The total liability of the Insurer for all Defence Costs and Inquiry Costs under this extension will not exceed in the aggregate, during the Policy Period, the 'Molestation Defence Costs and Inquiry Costs Limit' specified in the Schedule.

7.12 Newly created or acquired subsidiary

If during the Policy Period the Policyholder acquires or creates a new Subsidiary, the Policyholder will also include such new Subsidiary in respect of any Claim first made against the Insured and notified to the Insurer during the period beginning on the date of acquisition or creation and ending sixty days thereafter or at expiry of the Policy Period, whichever is the lesser period, resulting from the conduct of the Healthcare Services by such new Subsidiary, but not in respect of any such Claim resulting from any act, error or omission occurring or committed prior to the date the Subsidiary was created or acquired.

The Insurer may, at its discretion, offer to extend cover for such new Subsidiary beyond that period. In order for cover for such new Subsidiary to be extended beyond that period, the Policyholder must, prior to the end of that period:

(a) give the Insurer written notice of any such acquisition or creation together with such additional information as the Insurer may require so that the Insurer can exercise its discretion whether or not to extend the cover; and

(b) accept any notified alteration in the terms of this Policy; and

(c) pay any additional premium required by the Insurer

This extension does not apply to:

(i) any new Subsidiary acquired or created by the Policyholder that is domiciled or incorporated in the United States of America or its territories or protectorates; and

(ii) the conduct of Healthcare Services that are not the same as those conducted by the Policyholder and covered under this Policy prior to the acquisition or creation of such Subsidiary.

7.13 Public relations expenses

The Insurer will indemnify the Policyholder for Public Relations Expenses incurred by the Policyholder in respect of an Adverse Publicity Event that first occurs and is notified to the Insurer during the Policy Period.

The total liability of the Insurer under this extension will not exceed in the aggregate the 'Public Relations Expenses Limit' specified in the Schedule during the Policy Period.

The Principal Policyholder must pay an excess of the first $1,000 of Public Relations Expenses, for any one Adverse Publicity Event. The excess is deducted from Public Relations Expenses before the application of the aggregate limit stated in this extension. The Insurer has no liability for the amount of Public Relations Expenses that is less than the excess for each Adverse Publicity Event. The Principal Policyholder agrees that the excess must be borne by the Principal Policyholder and is to remain uninsured.

7.14 Run off cover

If, during the Policy Period, any of the following events occur:

(a) a Merger or Acquisition of the Policyholder; or

(b) the appointment of a receiver, controller, administrator or liquidator to the Policyholder or the commencement of a scheme of arrangement or compromise or a winding up process in respect of the Policyholder,

then this Policy will remain in force until the expiry of the Policy Period, but only in respect of a Claim resulting from any act, error or omission occurring or committed prior to the event described in parts (a) or (b) of this extension.

7.15 Sixty day reporting period

The Insured may continue to notify the Insurer of Claims up to sixty days after the expiry of the Policy Period, but only Claims first made against the Insured during the Policy Period and based on any act, error or omission committed or alleged to have been committed prior to expiry of the Policy Period.

Any notification to the Insurer during this sixty day reporting period will be deemed to have been first notified to the Insurer during the Policy Period.

7.16 Spousal liability

If a Claim against an Insured includes a Claim against such Insured's Spouse solely by reason of:

(a) such Spouse's legal status as a Spouse of such Insured; or

(b) such Spouse's ownership interest in property which the claimant seeks as recovery for Claims made against such Insured,

then the Spouse's legal liability for compensation resulting from such Claim will be treated for the purposes of this Policy as the liability of the Insured.

This extension does not apply to the extent the Claim alleges any act, error or omission by such Insured's Spouse.
7.17 Statutory liability
Notwithstanding exclusion 9.2.6 ‘Employer’s Liability’ and exclusion 9.2.7 ‘Fines, Penalties, Punitive or Aggravated Damages’, the Insurer will indemnify the Insured:

(a) for Defence Costs for proceedings under occupational health and safety law or environmental law first brought against the Insured and notified to the Insurer during the Policy Period resulting from the conduct of the Healthcare Services;

(b) to the extent permitted by law, for any pecuniary penalties imposed upon the Insured based on any breach of occupational health and safety law or environmental law as a result of proceedings under occupational health and safety law or environmental law first brought against the Insured and notified to the Insurer during the Policy Period resulting from the conduct of the Healthcare Services, except for any pecuniary penalties:

(i) resulting from any act, error or omission occurring or committed prior to the Retroactive Date; or

(ii) imposed where the Insured knew, or where a reasonable person in the circumstances ought reasonably to have known, prior to the Policy Period that the Insured had contravened such law and committed an offence pursuant to that law; or

(iii) imposed as a result of further breaches committed after the Insured first knew, or where a reasonable person in the circumstances ought reasonably to have known, that the Insured had contravened such law and committed an offence pursuant to that law, and which led to the imposition of increased or additional pecuniary penalties; and

(c) to the extent permitted by law, for any compensatory civil penalty first brought against the Insured and notified to the Insurer during the Policy Period resulting from the conduct of the Healthcare Services.

The cover provided under this extension will only apply to such pecuniary penalties imposed in the jurisdiction of Australia and pursuant to the laws of Australia.

The total liability of the Insurer under this extension will not exceed the ‘Statutory Liability Limit’ specified in the Schedule, and all payments will be part of and not in addition to the Limit of Liability.

7.18 Students, volunteers, committee members and council members
Part (b) of the definition of Insured is extended to include any natural person who is a past and / or present Student, Volunteer, Committee Member or Council Member, but only in their capacity as such and only to the extent the civil liability results from the conduct of the Healthcare Services.

7.19 Vicarious liability for medical practitioners and locum tenens
Notwithstanding exclusion 9.2.11 ‘Medical Practitioners’, the Insurer will indemnify the Policyholder against civil liability for compensation and claimant’s costs and expenses in respect of any Claim first made against the Policyholder and notified to the Insurer during the Policy Period based on vicarious liability of:

(a) the Policyholder; or

(b) any Principal of the Policyholder whilst acting in a capacity other than as a Medical Practitioner,

for any act, error or omission of a Medical Practitioner or any locum tenens in the conduct of the Healthcare Services.

8. Optional extension

8.1 Public and Products Liability (claims made basis)
This extension applies where the ‘Public and Products Liability’ extension is noted as ‘Included’ in the Schedule.

8.1.1 Section A – Public liability
The Insurer will indemnify the Insured against civil liability for compensation and claimant’s costs and expenses in respect of any Claim first made against the Insured and notified to the Insurer during the Policy Period for:

(a) Personal Injury; and/or

(b) Damage to Property other than:

(i) property belonging to any of the Insured

(ii) property in the possession or control of any of the Insured; and/or

(c) Advertising Injury;

happening within the Territorial Limits as a result of an Occurrence and in connection with the Business less the amount of the ‘Public Excess’ shown in the Schedule.

However, the Insurer shall not be liable under ‘Section A – Public Liability’ for:

1. liability assumed solely under an agreement unless such liability would have attached in the absence of such agreement or is specifically allowed by the Insurer’s written Endorsement, or relates to a liability assumed by any of the Insured (other than a Principal) under a lease for the premises referred to in Definition 2.1 of this extension.

2. the cost of performing, completing, correcting or improving any work done or undertaken by any of the Insured.
3. **Personal Injury** or **Damage to Property** caused by or in connection with the operation, ownership, possession or use by or on behalf of any of the **Insured** of any vessel or craft made or intended to be water borne or air borne, (other than a watercraft or water vessel not exceeding 8 metres in length or a hand propelled boat or pontoon).

4. **Personal Injury** or **Damage to Property** caused by or in connection with the operation, ownership, possession or use by any of the **Insured** of any **Vehicle** which is registered or required to be insured under any law which applies to its use (hereinafter referred to as ‘Statutory Insurance’).

   However, this exclusion will not apply to **Personal Injury** or **Damage to Property** which arises out of:

   (a) the delivery or collection of goods to or from any **Vehicle** where such **Personal Injury** or **Damage to Property** occurs beyond the limits of any carriageway or thoroughfare; or
   
   (b) the loading or unloading of or the delivery or collection of goods to or from any **Vehicle** used in work undertaken by or on behalf of any of the **Insured**, but which is not in the physical or legal control of such **Insured**; or
   
   (c) the use of any **Vehicle** as a tool of trade, provided that such liability did not arise in circumstances for which indemnity should be provided under any form of Statutory Insurance whether such insurance was effected or not.

5. **Personal Injury** or **Damage to Property** or **Advertising Injury** caused by **Products** other than **Personal Injury** or **Damage to Property** caused by food or beverages sold or supplied by any of the **Insured** as a service to **Employees** or visitors for consumption on the premises of such **Insured**.

6. **Claims** arising out of any breach of a duty owed in a professional capacity by any of the **Insured**.

7. **Property Damage** to property in the **Insured's** physical or legal care, custody or control, but this exclusion shall not apply to:

   (a) (i) personal possessions of directors, partners, **Employees** or visitors
   
   (ii) premises (and their contents) not owned or rented by any of the **Insured** but which are temporarily occupied by any of the **Insured** for the purpose of carrying out work in connection with the **Business**.

   (b) premises (including fixtures and fittings) leased or rented to any of the Insured provided that the **Policyholder** shall be responsible for the first $100 in respect of loss or damage caused other than by fire or explosion in addition to any ‘Public Excess’ specified in the **Schedule**.

   (c) **Vehicles**, not owned by the **Policyholder** nor used in connection with the **Business**, whilst within a free car park provided by the **Policyholder** for the use of customers, visitors or **Employees**.

   (d) the first $250,000 of each **Occurrence** which results in physical damage to or destruction of tangible property (not being property referred to in clauses (a), (b) or (c) of this exclusion) in the physical or legal care, custody or control of any of the **Insured** in connection with the **Business**.

### 8.1.2 Section B – Products liability

The **Insurer** will indemnify the **Insured** against civil liability for compensation and claimant's costs and expenses in respect of any **Claim** first made against the **Insured** and notified to the **Insurer** during the **Policy Period** for:

(a) **Personal Injury**; and/or

(b) **Damage to Property** other than:

   (i) property belonging to any of the **Insured**

   (ii) property in the possession or control of any of the **Insured**; and/or

(c) **Advertising Injury**;

happening within the **Territorial Limits** as a result of an **Occurrence** and in connection with the **Business** and caused by **Products** less the amount of the ‘Products Excess’ shown in the **Schedule**.

However, the **Insurer** shall not be liable under ‘Section B – Products Liability’ for:

1. **Personal Injury** or **Damage to Property** caused by or arising out of **Products** intended specifically for, and installed in or on, an aircraft or other aerial device, or caused by or arising out of **Products** which any of the **Insured** knew would be so installed, where such **Products** are essential to the operation or navigation of an aircraft or other aerial device.

2. liability assumed solely under an agreement unless such liability:

   (a) would have attached in the absence of such agreement, or

   (b) is specifically allowed by the **Insurer's** written **Endorsement**, or

   (c) is assumed by any of the **Insured** under a warranty of fitness or quality, or is implied by law, in respect of **Products**

3. the cost of recalling, withdrawing, replacing or repairing **Products** or of making any refund on the price paid for **Products**, provided that this exclusion 3 does not apply to liability for physical damage to or destruction of **Products** caused by other **Products** if they were physically independent at the time of such physical damage or destruction.
4. **Personal Injury or Damage to Property or Advertising Injury:**
   (a) happening in any country on the continent of North America, or in states or territories incorporated in or administered from or by such country, and
   (b) caused by **Products** exported by any of the **Insured** to any such country.

5. any **Claim** indemnifiable under ‘Section A – Public Liability’ of this extension.

8.1.3 Limit of indemnity and defence costs
The total liability of the **Insurer** under this extension will not exceed the ‘Public and Products Liability Limit’ specified in the **Schedule** during the **Policy Period** which is independent of, and not inclusive to, the **Limit of Indemnity**.

The **Insurer** will pay **Defence Costs** on the basis already set out in this **Policy**.

8.1.4 General exclusions (applicable to Sections A and B)
The **Insurer** shall not be liable under this extension for:

1. (a) **Personal Injury** or **Damage to Property** caused by or arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminantants or pollutants into or upon any property, land, the atmosphere or any watercourse or body of water (including groundwater) unless such discharge, dispersal, release or escape:
   (i) is neither reasonably expected nor intended by any of the **Insured**; and
   (ii) is the consequence of a sudden and instantaneous cause which takes place at a clearly identifiable point in time;
   (b) any costs or expenses incurred in preventing, removing, nullifying or cleaning–up any discharge, dispersal, release or escape as described in (a) above, unless such costs or expenses are consequent upon an unexpected, unintended sudden and instantaneous cause which takes place at a clearly identifiable point in time and results in **Personal Injury** or **Damage to Property** neither of which is otherwise excluded by this extension.

2. **Claims** in respect of the loss of use of tangible property which has not been physically damaged or destroyed resulting from:
   (a) a delay in or lack of performance by or on behalf of any of the **Insured** of any contract or agreement, or
   (b) the failure of **Products** or work performed by or on behalf of any of the **Insured** to meet the level of performance quality fitness or durability warranted or represented by any of the **Insured**, but this exclusion 2 (b) does not apply to loss of use of other tangible property resulting from the sudden and accidental physical damage to or destruction of **Products** or work performed by or on behalf of any of the **Insured** after such **Products** or work have been put to their intended use by any person or organisation other than **Insured**.

3. any amount by way of aggravated damages or in respect of liquidated damages, or incurred under a penalty clause, or in respect of infringement of copyright or patent.

4. **Personal Injury** to any **Employee** arising out of or in the course of their employment save that this exclusion 4 shall not apply to liability for such **Personal Injury** assumed by an **Insured** under a written contract or agreement with another (not being an **Insured**).

5. liability imposed by the provisions of any Workers’ or Workmen’s Compensation legislation or any Accident Compensation legislation or any industrial award or agreement or determination.

6. **Personal Injury** or **Damage to Property** arising out of any defamation of character:
   (a) made prior to the commencement of the **Policy Period**;
   (b) made at the direction of any of the **Insured** with knowledge of the falsity thereof; or
   (c) related to advertising, broadcasting or telecasting activities, or publication of newspapers, journals, books or periodicals conducted by or on behalf of any of the **Insured**.

7. **Advertising Injury** resulting from:
   (a) failure to perform a contract, or a breach of contract;
   (b) infringement of trademark, service mark or trade name, titles and slogans, by use thereof on or in connection with goods or services sold, offered for sale or advertised;
   (c) incorrect description of any article or commodity;
   (d) mistake in advertised price.

8. **Personal Injury** or **Damage to Property** arising directly or indirectly from or in respect of asbestos, asbestos fibres or derivatives of asbestos. In the event of any conflict between this exclusion and the exclusion 9.2.1 ‘Asbestos’, this exclusion shall prevail.
8.1.5 General conditions (applicable to Section A and B)

1. Any liability of the Insurer under this extension shall depend upon the following matters:
   (a) the observance of the terms and Conditions of this extension by any of the Insured insofar as they relate to anything to be done or complied with by such Insured; and
   (b) the notification as soon as practicable by any of the Insured of any alteration in risk which materially affects this insurance.

2. The Insured at their own expense shall take or cause to be taken all reasonable care to:
   (a) maintain premises plant and everything used in the Business in proper repair;
   (b) employ only competent Employees;
   (c) comply with all statutory obligations and regulations imposed by any authority; and
   (d) remedy any defects or eliminate any dangers which may give rise to Personal Injury or Damage to Property or Advertising Injury.

8.1.6 Definitions

For the purposes of this extension only the following definitions apply:

1. ‘Insured’ means:
   1.1. the Policyholder; and/or
   1.2. any Principal of the Policyholder, in respect of the liability of such Principal arising out of the performance by the Policyholder of any contract or agreement for the carrying out of work or services in connection with the Business, but only to the extent required by such contract or agreement; and/or
   1.3. any office–bearer, committee or member of the Policyholder’s own canteen, sports and/or social clubs, child care facilities or welfare organisations and any member (not being a qualified Medical Practitioner) of the Policyholder’s own fire, first aid, medical or ambulance services; and/or
   1.4. any director, partner, executive officer or shareholder of the Policyholder or any Employee but only for liability in respect of which the Policyholder would have been entitled to indemnity if the Claim had been made against the Policyholder; and/or
   1.5. any director, partner or senior executive of the Policyholder in respect of private work undertaken by any Employee for such director, partner or senior executive, and any such Employee whilst actually undertaking such private work.

2. ‘Business’ means the ‘Business’ described in Schedule at the business address described in the Schedule and shall also include:
   2.1. the ownership or occupation of, the carrying out of repairs, maintenance, alterations or additions to, or the demolition of, the Policyholder’s premises to which this Policy applies; and
   2.2. the deeming of the Policyholder to be a manufacturer of Products by operation of a law of Australia or its external territories.

3. ‘Territorial Limits’ means anywhere within Australia including its external territories.

4. ‘Occurrence’ means an event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury and/or Damage to Property and/or Advertising Injury neither expected nor intended by any of the Insured.

With respect to Personal Injury or Property Damage, all events of a series consequent upon or attributable to one source or original cause shall be deemed to be one Occurrence.

All Advertising Injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, the number and kind of media used, or the number of claimants) shall be deemed to be one Occurrence.

5. ‘Personal Injury’ means
   5.1. bodily injury, death, sickness, disease, disability, shock, fright, mental injury, mental anguish or loss of consortium resulting from any of them; or
   5.2. the effects of:
   (a) false arrest, false imprisonment, wrongful eviction, wrongful detention and humiliation;
   (b) assault and battery not committed by or at the direction of any of the Insured unless committed for the purpose of preventing or eliminating danger to persons or property;
   (c) libel, slander, defamation of character, unless arising out of Advertising Injury.

6. ‘Damage to Property’ means
   6.1. physical damage to or loss or destruction of tangible property including resultant loss of use; and/or
   6.2. loss of use of tangible property which has not been physically damaged or destroyed provided such loss of use is caused by an Occurrence.
7. ‘Products’ means any thing, including any packaging or container thereof (after it has ceased to be in the possession or control of any of the Insured) manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, resupplied or distributed in or from Australia or its external territories by any of the Insured in the course of the Business, and also includes:

7.1 the design formula or specification of such Products, and

7.2 directions, markings, instructions, warnings or advice given or omitted to be given in connection with such Products, and

7.3 any thing in respect of which the Insured is taken or deemed to be the manufacturer by operation of a law of Australia or its external territories.

8. ‘Vehicle’ means any type of machine on wheels or on self-laid tracks made or intended to be propelled by other than manual power and any trailer made or intended to be drawn by any such machine whilst attached thereto.

9. ‘Advertising Injury’ means injury arising out of:

(a) libel, slander or defamation,

(b) piracy of or any act, error or omission in the use of, advertising or merchandising ideas,

(c) infringement of copyright, or

(d) invasion of the right of privacy,

first published or broadcast or first committed or alleged to have been committed in connection with the Insured’s advertising activities during the Policy Period.

9. Exclusions

9.1 Section 1

The Insurer shall not be liable in respect of:

9.1.1 Prior claims or known circumstances

(a) any Claim first made against the Insured prior to the inception of the Policy Period or disclosed in the Proposal; or

(b) any Claim, liability, compensation, Inquiry Costs, claimant’s costs and expenses or Defence Costs directly or indirectly arising from or in respect of any facts, events or circumstances:

(i) which the Insured knew, prior to the inception of the Policy Period, might give rise to a Claim, liability, compensation, Inquiry Costs, claimant’s costs and expenses or Defence Costs which might be covered under this Policy;

(ii) which a reasonable person in the Insured’s position would have thought, prior to the inception of the Policy Period, might give rise to a Claim, liability, compensation, Inquiry Costs, claimant’s costs and expenses or Defence Costs which might be covered under this Policy;

(iii) which were disclosed in the Proposal or were or could be notified under any insurance that was in force prior to the inception of the Policy Period;

(iv) which were alleged in or discovered in any Claim made against the Insured prior to the inception of the Policy Period; or

(v) relating to or underlying any Claim made against the Insured prior to the inception of the Policy Period.

9.1.2 Retroactive date

any Claim resulting from any act, error or omission occurring or committed prior to the Retroactive Date.

9.1.3 Professional fees

(a) any Claim for indemnity by the Insured for;

(b) any Claim solely for; or

(c) that part of any Claim that is in respect of, professional fees or charges or the refund of professional fees or charges (by way of damages or otherwise).

9.2 Section 2

The Insurer shall not be liable in respect of any Healthcare Services, Claim, liability, compensation, Inquiry Costs, claimant’s costs and expenses, Defence Costs or compensation for court attendance:

9.2.1 Asbestos

arising directly or indirectly from or in respect of asbestos, asbestos fibres or derivatives of asbestos, provided that this exclusion shall not apply to the provision of the Healthcare Services for any asbestos related disease.

9.2.2 Assumption of liability

arising directly or indirectly from or in respect of any liability assumed by the Insured outside the normal course of the provision of Healthcare Services.
9.2.3 Childbirth
arising directly or indirectly from or in respect of labour, which for the purposes of this exclusion refers to the act of giving birth and involves the following stages:

(a) the first stage lasts from the onset of labour until there is full dilation (10 cm.) of the cervical os (opening). The first stage of labour is also called the stage of dilatation;

(b) the stage commencing from the full dilatation of the cervix until the baby is completely out of the birth canal and has been born;

(c) the stage commencing from birth of the foetus through expulsion or extraction of the placenta and membranes (afterbirth); and

(d) the fourth stage being 24 hours after the delivery of the baby.

9.2.4 Directors and officers liability
arising directly or indirectly from or in respect of the Insured’s functions and duties as a director and/or officer of the Insured or any legal entity, corporation or other incorporated body.

9.2.5 Dishonest, fraudulent or criminal acts
arising directly or indirectly from or in respect of any:

(a) dishonest, fraudulent or malicious act or omission by the Insured; or

(b) criminal act or omission or breach of any statute committed by the Insured with reckless or wilful intent.

9.2.6 Employer’s liability
arising directly or indirectly from or in respect of:

(a) the death, bodily injury, disease or illness of any Insured arising out of or in the course of or in respect of their employment; or

(b) a breach of any obligation owed by an Insured to an Insured.

9.2.7 Fines, penalties, punitive or aggravated damages
arising directly or indirectly from or in respect of fines or penalties including civil penalties, punitive or aggravated damages.

9.2.8 Goods sold, stored, supplied or distributed
arising directly or indirectly from or in respect of the sale, storage, supply or distribution of any good or product other than any Claim which arises directly from a breach of professional duty during the actual provision of the Healthcare Services.

9.2.9 Intoxicants and drugs
arising directly or indirectly from or in respect of any services rendered by any person while that person is under the influence of intoxicants or drugs or from any failure to render services competently or at all because of such influence, if such services were performed with the knowledge or connivance of a Principal.

9.2.10 Liquidated damages
arising directly or indirectly from or in respect of liquidated damages imposed upon the Insured by contract or agreement, except to the extent that the Insured would have been liable for that damage in the absence of any such contract or agreement.

9.2.11 Medical practitioners
arising directly or indirectly from or in respect of the liability at law of a Medical Practitioner to a patient, where such liability arises directly from the Medical Practitioner’s activities as a Medical Practitioner including, but not limited to diagnosis, treatment, medical advice, prescribing or supplying medication or a breach of any State or Federal health or medical laws or regulations in force in Australia and its external territories, except as provided for in extension 7.19 ‘Vicarious Liability for Medical Practitioners’.

9.2.12 Radioactivity
arising directly or indirectly from or in respect of ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or from the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear device or assembly, or a nuclear component thereof, provided that this exclusion shall not apply to ionising radiation sourced from radioisotopes or x–rays when used by qualified medical staff in any medical procedure or diagnosis.

9.2.13 Related parties
arising directly or indirectly from or in respect of any Claim brought by:

(a) any Insured;

(b) any Subsidiary;

(c) any company or trust which is operated or controlled by the Insured or its nominees or trustees and in which an Insured has a direct or indirect financial interest;
(d) any company in which an Insured has or has held at least a 20% financial interest and has had or has board representation on that company; or
(e) any Relative or any company owned or controlled by a Relative, unless the Healthcare Services that gave rise to the Claim were signed off by a Principal of the Policyholder who is a person not related to the Relative.

9.2.14 Sanctions
that would be in contravention of any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

9.2.15 Subrogation waiver
arising directly or indirectly from or in respect of any liability which is incurred or affected by reason of the Insured at any time entering into a deed or agreement excluding, limiting or delaying the Insured's legal rights of recovery against another.

9.2.16 Terrorism
arising directly or indirectly from or in respect of:
(a) any Act of Terrorism; or
(b) any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism, provided that this exclusion shall not apply to the provision of the Healthcare Services for any bodily injury, illness or disease caused by an Act of Terrorism.

9.2.17 Trading debts
arising directly or indirectly from or in respect of any trading debt incurred, or any guarantee in respect of such debt given, by the Insured.

9.2.18 War
arising directly or indirectly from or in respect of any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, provided that this exclusion shall not apply to the provision of the Healthcare Services for any bodily injury, illness or disease caused by any event described above.

10. Claims conditions

10.1 Claims notifications
Every Claim made against the Insured shall be notified to the Insurer as soon as practicable and in any event prior to expiry of the Policy Period, and every letter, demand, writ, summons and legal process pertaining to such Claim shall be forwarded to the Insurer as soon as practicable after receipt.

All Claim notifications to the Insurer must be sent to the address next to ‘Claims Notification’ specified in the Schedule.
It is the Insured's responsibility to ensure that such notification has been forwarded to and has been received by the Liability & Profin Notification Centre.

10.2 Claims co-operation
In the event of a Claim the Insured will at all times and at its own cost provide the Insurer with all information, evidence, documentation, assistance and co-operation and will execute such documents, including signed statements and affidavits, which the Insurer reasonably requests.

The Insured will at all times and at its own cost use reasonable endeavours to do and concur in doing everything reasonably practicable to avoid or diminish loss and to assist with the defence, investigation or settlement of any Claim.

The Insurer may make any investigation it deems necessary.

10.3 Claims conduct
The Insurer shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any Claim and shall have full discretion in the conduct of any proceedings and in the settlement of any Claim.

The Insurer reserves entirely its rights under this Policy, including its right to agree or deny cover while it assesses a Claim or conducts the defence. The Insurer's rights under this Policy are not affected if it does not conduct the defence.

Neither the Insured nor the Insurer will be required to contest or litigate any Claim if, in the opinion of Senior Counsel, reasonable attempts should be made to settle the Claim. The Senior Counsel shall be mutually agreed upon, or in the absence of such agreement, as nominated by the President of the NSW Bar Association (or the equivalent State or Territory association). The cost to obtain the opinion will be advanced by the Insurer and treated as Defence Costs.
Senior Counsel shall provide the opinion in writing. In formulating the opinion Senior Counsel shall consider commercial matters including the amount of the Claim, the actual and potential loss (including Defence Costs) that may reasonably be incurred in contesting the Claim, the liability prospects and the prospect of recovering costs against the claimant in the event that the defence is successful. Senior Counsel shall also provide a settlement range within which reasonable attempts should be made to settle the Claim.

If it is the opinion of Senior Counsel that reasonable attempts should be made to settle the Claim, the Insured shall not object to the Insurer’s attempt to do so.

10.4 Claims settlement
The Insured must not settle or offer to settle any Claim, incur any Defence Costs or otherwise assume any contractual obligation or admit any liability in respect of any Claim without the Insurer’s prior written consent.

If the Insured objects to a proposal by the Insurer to settle or compromise any Claim payable under this Policy and wishes to contest or litigate the matter, then the Insured may so elect, but the Insurer’s liability in respect of any such Claim so contested or litigated will not exceed the amount for which, but for such election, it could have been settled or compromised by the Insurer, together with Defence Costs payable in accordance with the terms of this Policy and incurred up to the time of such election, subject to the Excess and to the Limit of Indemnity.

11. General conditions

11.1 Assignment
This Policy cannot be assigned by the Policyholder.

11.2 Authorisation
The Principal Policyholder is the agent for each Insured and each Insured is bound by any statement, act or omission of the Principal Policyholder for all purposes under this Policy, subject to 10.3 ‘Claims Conduct’ and 11.11 ‘Severability and Non Imputation’.

11.3 Cancellation
The Principal Policyholder may cancel this Policy at any time in writing to the Insurer. Upon receipt of such request, the Insurer will retain a short period premium calculated at the pro rata proportion of the Full Annual Premium for the time it has been on risk plus ten percent and the Principal Policyholder will receive a refund of any balance of the premium actually paid, unless there have been any notifications during the Policy Period, in which case no refund shall be given.

The Insurer may cancel this Policy in accordance with the Insurance Contracts Act 1984.

11.4 Endorsements
An Endorsement does not affect or increase the Limit of Indemnity, the Maximum Aggregate Limit of Indemnity or any other term, except to the extent specifically provided in the Endorsement. Each Endorsement is otherwise subject to all the terms of this Policy.

11.5 Goods and services tax
The premium is the amount the Policyholder pays the Insurer for this insurance and it includes stamp duty, GST and any other government charges that applies.

The Insured must inform the Insurer of the extent to which there is an entitlement to an input tax credit for that GST amount each time it notifies a Claim under this Policy. No payment will be made to the Insured for any GST liability that it may incur on the settlement of a Claim if it does not inform the Insurer of its entitlement or correct entitlement to an input tax credit.

Despite the other terms of this Policy, the Insurer’s liability to the Insured will be calculated taking into account any input tax credit to which the Insured is entitled for any acquisition which is relevant to the Claim, or to which it would have been entitled had it made a relevant acquisition.

‘GST’, ‘input tax credit’, ‘acquisition’ and ‘supply’ have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

11.6 Governing law
The Policy will be governed in accordance with law of the State or Territory of Australia in which the Policy was issued. Any disputes relating to interpretation will be submitted to the exclusive jurisdiction of the courts of Australia.

11.7 Interpretation
In this Policy the singular includes the plural and vice versa. The neutral gender includes the female and male genders.

A reference in this Policy to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision (whether of the Commonwealth of Australia or elsewhere).

The titles and headings to the various sections of the Policy are included solely for ease of reference and do not in any way limit or expand or otherwise affect the terms of such sections.
11.8 Material change

The Policyholder must notify the Insurer as soon as reasonably practicable of any material change in the risk insured by this Policy. The Insurer is entitled to amend the terms of this Policy and/or charge an additional premium based on the Insurer's assessment of any change in the risk insured by this Policy. A material change in the risk includes, without limitation:

(a) activities that are materially different from those declared in the Proposal;
(b) activities outside the normal activities of the Healthcare Services;
(c) the Policyholder being Insolvent; or
(d) any loss of or conditions imposed upon any licence or other authority required by the Insured to conduct the Healthcare Services.

11.9 Other insurance

If at the time any Claim arises under this Policy there is any other insurance in force covering the same liability, the Policyholder shall promptly give to the Insurer full details of such other insurance, including the identity of the insurer and the policy number, and such further information as the Insurer may reasonably require.

11.10 Payment of Premium

The Policyholder must pay the ‘Premium’ specified in the Schedule for the Policy Period to the Insurer by the due date. The due date is on or before ninety days after the inception date of the Policy Period or such other time that the Insurer agrees in writing. If the Policyholder fails to pay the ‘Premium’ by the due date, the Insurer is entitled to cancel this Policy in accordance with the Insurance Contracts Act 1984.

11.11 Severability and non imputation

Where this Policy insures more than one party, any failure on the part of any of the parties to:

(a) comply with the duty of disclosure under the Insurance Contracts Act 1984;
(b) comply with any obligation under this Policy (other than the obligation to pay premium); or
(c) refrain from conduct which is dishonest, fraudulent, criminal or malicious,

shall not prejudice the right of the remaining party or parties to indemnity under this Policy, provided that such remaining party or parties shall:

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

11.12 Territorial and jurisdictional limits of cover

This Policy provides cover for:

(a) any civil liability resulting from the conduct of the Healthcare Services anywhere in the world, except for any civil liability resulting from:

(i) the conduct of the Healthcare Services within the United States of America;

(ii) the provision of healthcare services to persons in the United States of America as part of the conduct of the Healthcare Services; or

(iii) any act, error or omission occurring within the United States of America and

(b) subject to (a), Claims made anywhere in the world, except for those Claims;

(i) brought in a court of law, arbitration, tribunal, forum or other body entitled to impose enforceable orders against the Insured in the United States of America; or

(ii) arising from the enforcement of any judgment, order or award in respect of any action brought in any court of law, arbitration, tribunal or other judicial body in the United States of America.

For the purpose of this General Condition the United States of America includes its territories and protectorates.

11.13 Variation of the policy

No variation of this Policy will be effective, unless made by Endorsement.

12. Definitions

For the purpose of this Policy:

Act of Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government or to put the public, or any section of the public, in fear.

Adverse Publicity Event means an event which, in the reasonable opinion of a Principal of the Policyholder, might cause the reputation of the Insured to be seriously affected by adverse or negative publicity.
Claim means:
(a) any demand made by a third party upon the Insured for compensation, however conveyed, including a writ, statement of claim, application or other legal or arbitral process;
(b) for the purposes of cover under extension 7.11 ‘Molestation Defence Costs and Inquiry Costs’ only, prosecution of the Insured; and
(c) for the purpose of cover under extension 7.17 ‘Statutory Liability’ only, a prosecution of the Insured brought under occupational health and safety, environmental or other relevant law arising from an actual or alleged breach of such law.

Committee Member means a natural person who is a member of a committee of the Policyholder.

Council Member means a natural person who is member of a council or board of the Policyholder.

Control has the meaning given by section 50AA of the Corporations Act 2001.

Defence Costs means all necessary and reasonable costs and expenses incurred by the Insurer, or by the Insured with the Insurer’s prior written consent, in defending, investigating or settling any Claim (not being claimant’s costs and expenses).

Documents means deeds, wills, agreements, maps, plans, records, computer records, electronic data, written or printed books, letters, certificates, written or printed documents or forms of any nature (excluding any bearer bonds, coupons, bank or currency notes or other negotiable instruments) which is the property of the Policyholder or for which the Policyholder is responsible.

Employee means a natural person (other than a Principal) employed under a contract of service or apprenticeship by the Policyholder and includes any trainee, casual, part-time, seasonal and temporary personnel.

Endorsement means any document which is described as an endorsement to this Policy and intends to vary it.

Excess means the amount shown in the Schedule except in respect of Inquiry costs in which case it means the amount shown in the Schedule as the ‘Inquiry Costs Excess’.

Full Annual Premium means the annual premium payable by the Principal Policyholder, including any additional premium which becomes payable in respect of the Policy Period.

Healthcare Services means the ‘Healthcare Services’ described in the Schedule, and no other, of the Policyholder.

Inquiring Body means any official body or institution empowered by law to investigate the professional conduct of the Insured including but not limited to a coroner’s court, Royal Commission, statutory regulatory body, tribunal or legally constituted industry or professional board but excluding any parliament or any committee of a parliament.

Inquiry Costs means necessary and reasonable legal costs and expenses incurred by the Insured arising out of any notice from an Inquiring Body requiring a response from the Insured or requiring the Insured’s attendance at an investigation, inquiry or hearing held before the Inquiring Body (not being Defence Costs).

Insolvency or Insolvent means:
(a) the Policyholder is an insolvent under administration or insolvent (each as defined in the Corporations Act 2001 (Cth));
(b) the Policyholder has had a controller appointed or is in liquidation, in provisional liquidation, under administration, has been wound up or has had a receiver appointed to any part of its property;
(c) the Policyholder is subject to any arrangement, assignment, moratorium, compromise or composition, it is protected from creditors under any statute or it is dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent);
(d) an application or order has been made, resolution passed, proposal put forward or any other action taken which is preparatory to or could result in any of (a), (b) or (c) above;
(e) the Policyholder is taken (under Section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
(f) the Policyholder is otherwise unable to pay its debts when they fall due; or
(g) something having a substantially similar effect to (a) to (e) above happens in connection with the Policyholder under the law of any jurisdiction.

Insured means:
(a) the Policyholder;
(b) any past and/or present Employee of the Policyholder, but only in his or her capacity as such;
(c) any past and/or present Principal of the Policyholder, but only in his or her capacity as such; and/or
(d) the estate, heirs, legal representatives or legal assigns of any natural person insured under this Policy in the event of the death or legal incapacity of such person.

Insurer means AAI Limited ABN 48 005 297 807 trading as Vero Insurance.
Limit of Indemnity means the amount specified beside ‘Limit of Indemnity’ as shown in the Schedule.

L.S.T. or Local Standard Time means the time in the State or Territory of Australia in which the Policy was issued.

Maximum Aggregate Limit of Indemnity means the amount specified beside ‘Maximum Aggregate Limit of Indemnity’ as shown in the Schedule.

Medical Practitioner means a medical practitioner or dentist.

Medicare Benefits Fraud means fraud against Medicare, the Pharmaceutical Benefits Scheme and other government programs administered by Medicare Australia by the payment of any benefit or funds to any person who had no legal entitlement to such benefit or funds.

Merger or Acquisition means:

(a) the Policyholder consolidating with, merging into or selling all or substantially all of its assets such that the Policyholder is not the surviving entity; or

(b) any entity obtaining Control of the Policyholder.

Policy Period means the time between ‘From’ and ‘To’ noted beside ‘Policy Period’ in the Schedule.

Policy means the Schedule, the terms of this document and any Endorsements.

Policyholder means the firm or legal entity shown in the Schedule.

Principal means a sole practitioner, a partner of a firm or a director of a company.

Principal Policyholder means the Policyholder or if the Policyholder is more than one person or entity, the first person or entity listed as the ‘Policyholder’ in the Schedule.

Proposal means the written proposal or declaration made by the Policyholder to the Insurer containing particulars and statements together with other information provided by the Policyholder.

Public Relations Expenses means the reasonable costs, charges, fees and expenses of a public relations firm or consultant engaged to prevent or limit the adverse effects of or negative publicity from an Adverse Publicity Event, which the Policyholder may engage with the prior written consent of the Insurer, but only during the first thirty days immediately following the Adverse Publicity Event.

Relative means an Insured’s:

(a) Spouse;

(b) parent;

(c) children or siblings; or

(d) the Spouse, parent, child or sibling of a Relative specified in a, b, and c. above.

Retroactive Date means the ‘Retroactive Date’ as shown in the Schedule.

Schedule means the current schedule issued by the Insurer to the Policyholder.

Spouse means a lawful spouse, domestic partner (including without limitation same sex partner) or any person deriving similar status by reason of the common law or statute.

Student means a natural person who is a student under the direction, control, or request of, or whilst undertaking any activity approved or recognised by the Policyholder.

Subsidiary means a subsidiary of the Policyholder as defined in the Corporations Act 2001.

Volunteer means a person providing the Healthcare Services on a voluntary, unpaid basis for or on behalf of the Policyholder.

End of Policy wording
Notices

These notices do not form part of the policy.

Broker acting as agent for insurer

In effecting this contract of insurance the broker will be acting under an authority given to it by the insurers and the broker will be effecting the contract as agent of the insurer and not the insured. Bizcover Pty Ltd (ABN 68 127 707 975; AR No 338440) Corporate Authorised Representatives of Mega Capital Pty Ltd ABN 37 098 080 418 arranges the insurance and AAI Limited (ABN 48 005 297 807) trading as Vero Insurance issues the insurance.

Your duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

▼▼ reduces the risk we insure you for; or
▼▼ is common knowledge; or
▼▼ we know or should know as an insurer; or
▼▼ we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Claims made and notified basis of coverage

The Medical Malpractice Civil Liability Insurance policy is issued on a 'claims made and notified' basis.

This means that the Insuring Clause responds to:

(a) claims first made against you during the policy period and notified to the insurer during the policy period, provided that you were not aware at any time prior to the policy inception of circumstances which would have put a reasonable person in your position on notice that a claim may be made against you; and

(b) written notification of facts pursuant to section 40(3) of the Insurance Contracts Act 1984. The facts that you may decide to notify, are those which might give rise to a claim against you. Such notification must be given as soon as reasonably practicable after you become aware of the facts and prior to the policy period expiring. If you give written notification of facts the policy will respond even though a claim arising from those facts is made against you after the policy has expired. For your information, s40(3) of the Insurance Contracts Act 1984 is set out below:

‘S40(3) Where the insured gave notice in writing to the insurer of facts that might give rise to claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim when made by reason only that it was made after the expiration of the period of the insurance cover provided by the contract.’

When the policy period expires, no new notification of facts can be made on the expired policy even though the event giving rise to the claim against you may have occurred during the policy period.

Retroactive date

You will not be entitled to indemnity under your new policy in respect of any claim resulting from an act, error or omission occurring or committed by you prior to the retroactive date, where one is specified in the policy terms offered to you.

Subrogation waiver

Our policy contains a provision that has the effect of excluding or limiting our liability in respect of a liability incurred solely by reason of the insured entering into a deed or agreement excluding, limiting or delaying the legal rights of recovery against another.

Privacy statement

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

Why do we collect personal information?

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

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

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

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

How we handle your personal information

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


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

▼ other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
▼ any of our Group joint ventures where authorised or required;
▼ customer, product, business or strategic research and development organisations;
▼ data warehouse, strategic learning organisations, data partners, analytic consultants;
▼ social media and other virtual communities and networks where people create, share or exchange information;
▼ publicly available sources of information;
▼ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
▼ a third party that we’ve contracted to provide financial services, financial products or administrative services – for example:
  ▼ information technology providers,
  ▼ administration or business management services, consultancy firms, auditors and business management consultants,
  ▼ marketing agencies and other marketing service providers,
  ▼ claims management service providers,
  ▼ print/mail/digital service providers, and
  ▼ imaging and document management services;
▼ any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;
▼ a third party claimant or witnesses in a claim;
▼ accounting or finance professionals and advisers;
▼ government, statutory, or regulatory bodies and enforcement bodies;
▼ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where you are an insured person but not the policy or product holder;
▼ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
▼ the Financial Ombudsman Service (FOS) Australia or any other external dispute resolution body;
▼ credit reporting agencies;
other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
legal and any other professional advisers or consultants;
hospitals and, medical, health or wellbeing professionals;
debt collection agencies;
any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, eg your mother.

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

**Overseas Disclosure**

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

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at www.vero.com.au/privacy, or you can contact us for a copy.

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

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

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

The Suncorp Group Privacy Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint. You can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in Contact Us.

**Contact us**

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

Speak to us directly by phoning us on 1300 888 073
Email: privacyaccessrequests@vero.com.au

**General Insurance Code of Practice**

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

Telephone (02) 9253 5100 or 1300 728 228
Website www.insurancecouncil.com.au

**Complaints resolution**

We are committed to:

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

If you have a complaint concerning this product or our services, please tell the people who provided your initial service or you can contact us by:

Telephone: 1800 689 762
Mail: Reply Paid 1453 Customer Relations Unit RE058, GPO Box 1453 Brisbane QLD 4001 or
Email: customer.relations@suncorp.com.au

**What we will do to resolve your complaint**

When you first let us know about your complaint or concern, we will review your complaint, consider the facts and attempt to resolve your complaint by the end of the next working day.
If we cannot resolve your complaint to your satisfaction within 5 working days we will contact you to agree reasonable alternative time frames.
We will endeavour to send you our final decision within 15 working days from the date you first made your complaint provided we have all necessary information and have completed any investigations required. If you are still unsatisfied with the final outcome at your request we can refer your complaint to our Internal Dispute Resolution (IDR) team. Our IDR team will review your dispute, and respond to the dispute within 15 working days of your complaint being referred to them provided they receive all necessary information and have completed any investigation required.

What if you are not satisfied with our final IDR decision?

We expect our procedures will provide you with a fair and prompt resolution to your complaint. If however you are not satisfied with our final decision or if we have not been able to resolve the complaint to your satisfaction within 45 days you may be able to take the complaint to the Financial Ombudsman Service (FOS) Australia.

FOS is an independent external dispute resolution scheme and its service is free to our customers.

You can contact FOS by:

▼ Telephone: 1800 367 287
▼ Mail: Financial Ombudsman Service Limited
    GPO Box 3
    Melbourne VIC 3001.
▼ Email: info@fos.org.au; or
▼ Website: www.fos.org.au

FOS will tell you if they can help you, as their services are not available to all customers.

We agree to accept a FOS decision however you have the right to take legal action if you do not accept their decision.