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Notices

These notices do not form part of the Policy.

Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of insurance, and if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty, however, does not require disclosure of any matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in the ordinary course of his business, ought to know;
- as to which compliance with your duty is waived by the insurer.

Non-disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim, refuse to pay the claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Claims Made and Notified Basis of Coverage

The Professional Indemnity 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 him/her; 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 policy's period of cover has expired. 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 or of recovery against another.

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Privacy Statement

The Privacy Act 1988 (Cth) (as amended) requires us to inform you that:

Purpose of collection

We collect personal information (this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person) from or about you, for the purposes of:

- ▼ identifying you when you do business with us;
- ▼ establishing your requirements and providing you with the appropriate product or service including evaluating your application for insurance and any request for amendment to any insurance provided;
- ▼ setting up, issuing, administering and managing the insurance provided following acceptance of an application;
- ▼ assessing and investigating and, if covered, managing claims made in relation to any insurance you have with us or other companies within the Suncorp group; and
- ▼ understanding your needs and improving our financial products and services, including training and developing our staff and representatives.

We may use and disclose your personal information for a secondary purpose related to those purposes listed above, where you would reasonably expect us to sue or disclose your personal information for that secondary purpose. In the case of sensitive information, any secondary purpose, use or disclosure will be directly related to the purposes listed above.

Disclosure

When necessary and in connection with the purposes listed above, we may disclose your personal information to, and/or receive some personal information from:

- ▼ other companies within the Suncorp group;
- ▼ intermediaries including your agent, adviser, a broker, a representative acting on your behalf, other Australian Financial Services Licensees or our authorised representatives and our agents;
- ▼ government bodies, law enforcement or statutory bodies, other insurance companies, reinsurers, financial institutions, insurance and claims reference providers, credit agencies, loss assessors, financiers or investigative service providers;
- ▼ mailing houses, customer research organisations;
- ▼ legal and other professional advisers; and
- ▼ other service providers, hospitals, medical and health professionals.

Marketing purposes

We would like to use and disclose your personal information to keep you up to date with the range of products and services available from Suncorp. Generally, our companies in the Suncorp group will use and disclose your personal information for Suncorp's marketing purposes. We may also use your personal information for the purpose of marketing other products and services of third parties we think may be of interest to you. If you do not want us to use and disclose your personal information for the purpose of marketing products and services to you, you should contact us and tell us. Please contact us on the details provided on the last page of this Proposal Form.

Disclosure of personal information overseas

Our business is trans-Tasman and therefore we will have instances where for the purposes detailed above we may send your personal information to other companies in Suncorp who are in either in Australia or New Zealand. There are also other instances where we may have to send your personal information overseas or collect personal information from overseas. These instances include:

- ▼ when you have asked us to do so;
- ▼ when we are authorised or required by law to do so;
- ▼ when we have outsourced a business activity or function to an overseas service provider with whom we have a contractual arrangement;
- ▼ certain electronic transactions; or
- ▼ it is necessary in order to facilitate a transaction on your behalf.

Consequences if information is not provided

If you do not provide us with the information we need we will be unable to administer your policy or manage any claim under your policy.

Access

You can request access to the personal information we hold about you by contacting a Vero office at one of the addresses shown on the last page of this Proposal Form. In some circumstances we are able to deny your request to your personal information, such as when it is unlawful to give it to you. If we deny your request for access, we will tell you why.

Privacy Statement Issued

Vero Insurance Limited – registered office Level 18, 36 Wickham Terrace, Brisbane, Queensland 4000.

General Insurance Code of Practice

Vero Insurance Limited (Vero) has adopted the General Insurance Code of Practice which has been developed by the Insurance Council of Australia. The Code is designed to promote good relations and good insurance practice between insurers, intermediaries and consumers.

The Code sets out what insurers must do when dealing with the insured. Please contact Vero for more information about the Code, if required.

Our Complaints Handling Procedures

Resolving your complaints

If you think we have let you down in any way, or our service is not what you expect (even if through one of our agents or representatives), please tell us so we can help. You can tell us by phone, in writing or in person.

Should you tell us in writing it will help to send us the full details of your complaint together with any supporting documents and an explanation of what you want us to do. If you would like to come in to talk to us face to face, please call and we will arrange an appointment for a meeting.

What we will do to resolve your complaint

When you first let us know about your complaint or concern the person trying to resolve your complaint will listen to you, consider the facts and contact you to resolve your complaint as soon as possible, usually within 24 hours.

If you are not satisfied with this person's decision on your complaint, then it will be referred to the relevant Operational Manager, who will contact you within 5 working days.

Should you not be satisfied with the Operational Manager's decision, then it will be referred to the General Manager (or their delegate). We will send you our final decision within 15 working days from the date you first made your complaint.

What if you are not satisfied with our final decision?

We expect our procedures will deal fairly and promptly with your complaint. However if you are not satisfied with our final decision there are external dispute remedies such as mediation, arbitration or legal action.

Stockbrokers Civil Liability Professional Indemnity Insurance Policy



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Stockbrokers Civil Liability Professional Indemnity Insurance Policy



Introduction

Please read this 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 Period of Insurance.

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

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.

"ASIC-approved External Dispute Resolution Scheme" means a scheme falling within s912A(2)(b)(i) of the Corporations Act 2001 (Cth).

"Award Costs" means any monetary amount awarded against the Insured by an ASIC approved external dispute resolution scheme, including any costs awarded against the Insured, other than the Insured Costs.

"Claim" means 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.

"Conflict of Interest" means circumstances where some or all of the interests of clients to whom the Insured provides financial services are inconsistent with, or diverge from, some or all of the interests of the Insured or its representative. This includes actual, apparent and potential conflicts of interest.

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

"Documents Claim" means a written demand by the Insured to the Insurer for payment of costs and expenses reasonably incurred by the Insured in replacing or restoring Documents.

"Excess" means the amount shown in the Schedule and represents the first amount which is payable by the Insured in respect of any compensation, claimant's costs and expenses or Insured Costs arising out of or in respect of any one Claim made against the Insured or in respect of any Inquiry Costs arising out of any one notice or in respect of any costs and expenses reasonably incurred by the Insured in replacing or restoring Documents in respect of any one Documents Claim.

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"Inquiring Body" means a court, tribunal or legally constituted industry or professional board. "Inquiring Body" does not mean an ASIC-approved External Dispute Resolution Scheme.

"Inquiry Costs" means necessary and reasonable legal costs and expenses incurred by the Insured arising out of any notice requiring the Insured's attendance at an inquiry or hearing held before an Inquiring Body.

"Insolvent" means:

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

"Insured" means:

- i. the legal entity or entities specified in the Schedule and the predecessors in business of such entity or entities; and/or
- ii. past and/or present employees of the legal entity or entities specified in the Schedule, but only in his or her capacity as such; and/or
- iii. any past and/or present Principal of the legal entity or entities specified in the Schedule, but only in his or her capacity as such; and/or
- iv. 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.

"Insured 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 or Claims (not being Inquiry Costs or claimant's costs and expenses).

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"Insurer" means Vero Insurance Limited ABN 48 005 297 807.

"Limit of Indemnity" means the Limit of Indemnity as shown in the Schedule.

"North America" means the United States of America and Canada and in each case its territories and protectorates.

"Period of Insurance" means the Period of Insurance as shown in the Schedule.

"Policy" means the Schedule, the terms of this policy and any endorsements.

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

"Professional Services" means the professional business described in the Schedule, and no other, of the legal entity or entities specified in the Schedule.

"Relative" means:

- (a) a parent of the Insured's spouse, domestic partner or defacto; or
- (b) the Insured's:
 - i. spouse, domestic partner or defacto;
 - ii. parent;
 - iii. children or siblings; and
 - iv. the spouse, domestic partner, defacto, parent, child or sibling of a Relative specified in i. ii. and iii. above.

"Retroactive Date" means the Retroactive Date shown in the Schedule.

"Schedule" means the current Schedule issued by the Insurer to the Insured.

"Subsidiary" means a subsidiary, as defined in the Corporations Act 2001, of the legal entity or entities specified in the Schedule.

Stockbrokers Civil Liability Professional Indemnity Insurance Policy



Insurance Preamble

The Insured and the Insurer agree that the Insurer will provide insurance on the terms of this Policy.

Insuring Clause

The Insurer will indemnify the Insured against civil liability for compensation and claimant's costs and expenses in respect of any Claim or Claims first made against the Insured and notified to the Insurer during the Period of Insurance resulting from the conduct of the Professional Services but not in respect of any such Claim or Claims resulting from any act, error or omission occurring or committed prior to the Retroactive Date.

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 Period of Insurance shall not exceed the Limit of Indemnity.

Insured Costs

The Insurer will, in addition to the Limit of Indemnity, pay Insured Costs for Claims covered under the Policy, provided that if the total amount of compensation and claimant's costs and expenses required to dispose of the Claim or Claims exceeds the Limit of Indemnity, the liability of the Insurer for such Insured Costs shall be only that proportion which the Limit of Indemnity bears to the total amount of compensation and claimant's costs and expenses required to dispose of the Claim or Claims.

Excess

The Insured is liable for the amount of any compensation, claimant's costs and expenses, Insured Costs or Award Costs that are collectively less than the Excess for each Claim. The Excess is deducted from compensation, claimant's costs and expenses, Insured Costs or Award Costs payable before the application of the Limit of Indemnity.

The Insured is liable for the amount of any Inquiry Costs that is less than the Excess for each notice. The Excess is deducted from Inquiry Costs payable before the application of the aggregate limit stated in paragraph (e) of the Inquiry Costs Automatic Extension.

The Insurer has no liability for the amount of compensation, claimant's costs and expenses, Insured Costs, Award Costs or Inquiry Costs that is less than the applicable Excess for each Claim or notice.

The Insured is liable for the amount of any costs and expenses reasonably incurred by the Insured in replacing or restoring Documents that is less than the Excess for each Documents Claim. The Insurer has no liability for the amount of such costs and expenses that is less than the Excess for each Document Claim.

The Insured agrees that the Excess must be retained by the Insured and is to remain uninsured.

Aggregation of Claims and Loss

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

For the purposes of the Inquiry Costs Automatic Extension, all notices arising out of, based upon, attributable to or in respect of any one inquiry or hearing shall be considered to be a single notice and shall attract one Excess.

Under the Lost Documents Automatic Extension, all loss of or damage to Documents, sustained as a result of one act, cause or event or a series of related acts, causes or events will be deemed to be one Document Claim and shall attract one Excess.

Insurance Clarification

For the purposes of clarifying the scope of cover under the Insuring Clause of this Policy, the Insuring Clause includes civil liability for:

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.
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.

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 course of carrying on the Professional Services.

Libel or Slander

Libel or Slander, provided that:

1. the libel or slander is committed by the Insured in the course of carrying on their Professional Services;
2. the Insured did not intend to publish the libel and slander with express malice.

Sub-contractors and Consultants

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

Misleading and Deceptive Conduct

Claims made under any misleading or deceptive conduct provision of the Trade Practices Act, Corporations Act 2001 (Cwth), the Australian Securities and Investments Commission Act 2001 (Cwth), or similar State or Federal legislation, provided that the Insurer will not indemnify the Insured for Claims made where such Claim arises:

1. under the penal or criminal provisions of any of the Trade Practices Act 1974 (Cwth), the Fair Trading Act 1987 (NSW), Corporations Act 2001 (Cwth) the Australian Securities and Investments Commission Act 2001 (Cwth) or similar State or Federal legislation; or
2. from conduct of the Insured which is fraudulent or intended to mislead or deceive.

However the Insurer will only exclude such Claims where it is established by final adjudication that the Insured breached the penal or criminal provisions of the Acts, or where the conduct was established by final adjudication to be fraudulent or intended to mislead or deceive.

Automatic Extensions

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

Automatic Reinstatement

The Insurer agrees, in the event of exhaustion (or partial exhaustion) of the Limit of Indemnity solely by reason of indemnity for compensation and claimant's costs and expenses in respect of any Claim or Claims first made against the Insured and notified to the Insurer during the Period of Insurance, to reinstate (or partially reinstate in the case of partial exhaustion) the Limit of Indemnity in respect of compensation and claimant's costs and expenses.

Provided that:

- (a) the Insurer's liability for any single Claim will not exceed the Limit of Indemnity; and
- (b) the aggregate liability of the Insurer under this Policy will not exceed the sum of the Limit of Indemnity and, in the event of exhaustion or partial exhaustion of the Limit of Indemnity, a single reinstatement of the Limit of Indemnity, save that the Insurer will in addition pay Insured Costs on the basis already set out in this Policy.

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Continuous Cover

Where the Insured:

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

then the Prior Claims or Known Circumstances exception will not apply to any notification during the Period of Insurance 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 Insured 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 Period of Insurance.

Dishonesty of Employees and Authorised Representatives

The Insurer will, notwithstanding the Dishonest, Fraudulent or Criminal Acts Exception, indemnify the Insured against civil liability for compensation, claimant's costs and expenses and Insured Costs in respect of any Claim or Claims first made against the Insured and notified to the Insurer during the Period of Insurance resulting from any dishonest, fraudulent, criminal or malicious act or omission by any employee or Authorised Representative of the legal entity or entities specified in the Schedule, occurring or committed in connection with the Professional Services, but not in respect of any such Claim or Claims resulting from any act or omission occurring or committed prior to the Retroactive Date.

Provided that:

- (a) nothing in this Automatic Extension shall require the Insurer to indemnify any such employee or Authorised Representative who has perpetrated any such dishonest, fraudulent, criminal or malicious act or omission or who by act or omission has condoned any such act or omission; and
- (b) the total liability of the Insurer under this clause will not exceed in the aggregate during the Period of Insurance the Dishonesty sublimit specified in the Schedule.

External Dispute Resolution Scheme Extension

The Insurer will indemnify the Insured against civil liability for compensation and the complainant's costs and expenses, arising from a binding determination made by an ASIC-approved External Dispute Resolution Scheme, resulting from any Claim or Claims first made against the Insured and notified to the Insurer during the Period of Insurance resulting from the conduct of the Professional Services but not in respect of any such Claim or Claims resulting from an act, error or omission occurring or committed prior to the Retroactive Date.

The Insurer will in addition pay all necessary and reasonable costs and expenses incurred by the Insurer, or by the Insured with the Insurer's prior written consent, arising from the Insured responding to a complaint made against it to an ASIC-approved External Dispute Resolution Scheme.

Provided that:

- (a) the total liability of the Insurer under this extension for compensation, the complainant's costs and expenses and all reasonable costs and expenses incurred by the Insurer or by the Insured with the Insurer's prior written consent shall not exceed \$150,000 in the aggregate during the Period of Insurance; and
- (b) the Insurer shall not be liable in respect of:
 - (i) the cost of membership to the ASIC-approved External Dispute Resolution Scheme or any professional association to which the Insured belongs; or
 - (ii) the costs of the ASIC-approved External Dispute Resolution Scheme or any professional association to which the Insured belongs; or
 - (iii) any dispute between members of such professional association; and
- (c) the definition of "Inquiring Body" in the Policy shall exclude ASIC-approved External Dispute Resolution schemes.

For the purpose of this Extension:

The definition of "Claim" is deleted and now means a complaint about the Insured made by a third party to an ASIC-approved Dispute Resolution Scheme.

Inquiry Costs

The Insurer may, if it considers it reasonable to do so, indemnify the Insured for Inquiry Costs.

Provided that:

- (a) 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 Period of Insurance; and
- (b) such attendance arises directly from conduct allegedly committed by the Insured in carrying on their Professional Services; and
- (c) such indemnity is subject to the written consent of the Insurer prior to the incurring of the Inquiry Costs; and
- (d) regular or overtime wages, salaries or fees of the Insured are excluded from this indemnity; and
- (e) the total liability of the Insurer under this Automatic Extension shall not exceed \$100,000 in the aggregate during the Period of Insurance.

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 or Claims first made against the Insured and notified to the Insurer during the Period of Insurance resulting from the Insured's participation in any joint venture in connection with the Professional Services but not in respect of any such Claim or Claims resulting from any act, error or omission occurring or committed prior to the Retroactive Date.

Provided that:

- 1. the indemnity given shall only relate to the Insured's proportion of any liability incurred by such joint venture; and
- 2. the Insured's income derived from participation in such joint venture shall have been included in the calculation of income furnished by the Insured for the purposes of calculating the premium for this Policy.

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

Lost Documents

The Insurer will, in the event of loss of or damage to Documents occurring in connection with the Professional Services, indemnify the Insured against all costs and expenses reasonably incurred by the Insured in replacing or restoring such Documents.

Provided that:

- (a) such loss or damage is sustained during the Period of Insurance while the Documents are either in transit or in the custody of the Insured or of any person to whom the Insured has entrusted them in the course of the normal conduct of the Professional Services; and
- (b) the amount of any Documents Claim 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 Insured or if such consent is withheld, by the President of the Law Society of whatever State where the Policy was issued; and
- (c) the Insurer shall not be liable in respect of loss or damage caused by riot or civil commotion.

Exceptions

Section 1

Prior Claims or Known Circumstances

The Insurer shall not be liable in respect of:

- (a) any Claim first made against the Insured prior to the inception of the Period of Insurance; or
- (b) any Claim, liability, compensation, Inquiry Costs, claimant's costs and expenses or Insured Costs directly or indirectly arising from or in respect of any facts or circumstances which:
 - (i) the Insured knew, prior to the inception of the Period of Insurance, might give rise to a Claim, liability, compensation, Inquiry Costs, claimant's costs and expenses or Insured Costs which might be covered under this Policy; or
 - (ii) a reasonable person in the Insured's position would have thought, prior to the inception of the Period of Insurance, might give rise to a Claim, liability, compensation, Inquiry Costs, claimant's costs and expenses or Insured Costs which might be covered under this Policy; or
 - (iii) were or could be notified under any insurance that was in force prior to the inception of the Period of Insurance.
- (c) any Claim, liability, compensation, Inquiry Costs, claimant's costs and expenses or Insured Costs directly or indirectly arising from or in respect of any matter recorded in the Insured's complaint register prior to the inception of the Period of Insurance.

Section 2

The Insurer shall not be liable in respect of any Professional Services, Claim, liability, compensation, claimant's costs and expenses, Insured Costs, Inquiry Costs or Award Costs:

Asbestos

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

Assumption of Liability

arising directly or indirectly from or in respect of any liability which is assumed by the Insured outside the normal course of the Professional Services.

Conflict of Interest

arising directly or indirectly from or in respect of any act or omission of the Insured which gives rise to a Conflict of Interest on the part of the Insured with respect to its client when performing the Professional Services unless the Insured has evidence of having declared the conflict to its client prior to the provision of the Professional Services.

Controlling or Financial Interests

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

- (a) any Insured; or
- (b) any Subsidiary; or
- (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; or
- (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,
- (e) any Relative or any company owned or controlled by a Relative, unless the Professional Services that gave rise to the Claim were signed off by a Principal of the legal entity or entities specified in the Schedule other than the person not related to the Relative.

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.

Dishonest, Fraudulent or Criminal Acts

arising directly or indirectly from or in respect of any dishonest, fraudulent, criminal or malicious act or omission by the Insured.

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 his/her employment; or
- (b) a breach of any obligation owed by an Insured to an Insured.

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.

Insolvency

arising directly or indirectly from or in respect of the Insured becoming or being Insolvent.

Insurance

arising directly or indirectly from or in respect of:

- (a) any insurance company, underwriting agency, insurance broker, or any other insurance intermediary becoming or being Insolvent; or
- (b) any Insured signing any insurance document or proposal form on behalf of any client.

Investment Performance/Advice

arising directly or indirectly from or in respect of:

- (a) the depreciation of, or any loss in respect of, an investment or the value of an investment, or the failure of an investment or the value of an investment to appreciate, including but not limited to any:
 - (i) securities, commodities, currencies, options and futures transactions; or
 - (ii) real estate investment, including but not limited to any related return on investment, capital appreciation or tax benefits; or
 - (iii) loss of value, surrender value or cancellation value of any leased product or service as a result of fluctuations in value of any leased product or service as a result of fluctuations in the value of such product or service; or
 - (iv) profit projections or financial forecasts; or
- (b) any actual or alleged representation, advice, forecast or guarantee, whether express or inferred, provided by or on behalf of the Insured as to the performance of any investment.

Provided that this Exception shall not apply in respect of any Claim, liability, compensation, Inquiry Costs, claimant's costs and expenses or Insured Costs arising from the Insured's failure to arrange a financial product in accordance with the client's instructions.

For the purposes of this Exception, the terms "arrange" and "financial product" have the meanings prescribed in Chapter 7 of the Corporations Act 2001 (Cth).

Legal and Accounting Advice

arising directly or indirectly from or in respect of any legal or accounting advice provided by or on behalf of the Insured, unless such advice is received from an independent third party who is qualified and entitled to practice as a solicitor, barrister or accountant, as appropriate.

Managed Discretionary Accounts

arising directly or indirectly from or in respect of any Professional Services provided in connection with managed discretionary accounts operated by Australian Financial Services licensees.

Margin Lending

arising directly or indirectly from or in respect of any margin lending services, other than advice in relation to margin lending, provided for or on behalf of the Insured.

Mergers & Acquisitions Advice

arising directly or indirectly from or in respect of the provision of advice in respect of mergers or acquisitions.

Mezzanine Finance

arising directly or indirectly from or in respect of:

- (a) any mezzanine finance arrangements; or
- (b) any act, error or omission by or on behalf of Westpoint Corporation Pty Ltd (ABN 81 009 395 751) and/or its subsidiaries or any company controlled or owned by any executive of Westpoint Corporation Pty Ltd (ABN 81 009 395 751) and/or its subsidiaries.

For the purpose of this Exception, mezzanine finance arrangements means any subordinated debt or quasi-equity arrangements that rank after senior debt arrangements but ahead of equity arrangements.

Money Laundering

arising directly or indirectly from or in respect of any actual or alleged acts of money laundering which are in breach of or constitute an offence under any money laundering legislation or any provisions and/or rules made by any regulatory body or authority thereunder.

The burden of providing that any Claim does not fall within this Exception shall be upon the Insured.

Mortgage and Finance Broking

arising directly or indirectly from or in respect of the negotiation or arrangement of loans of money for or on behalf of other persons or the management of loans of money.

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.

Related parties

arising directly or indirectly from or in respect of any advice or inducement by the Insured to any third party to invest in or lend money to any

- (a) other Insured; or
- (b) subsidiary of an Insured; or
- (c) company of which an Insured has or has held at least a 20% financial interest or has had board representation on that company; or
- (d) Relative or company owned or controlled by a Relative.

Retrospective Taxation Legislation

arising directly or indirectly from or in respect of any actual or alleged retrospective taxation legislation or amended rulings by the Australian Taxation Office.

Stock and Securities Lending

directly or indirectly arising from or in respect of any stock or securities lending services, other than advice in relation to stock or securities lending, provided for or on behalf of the Insured.

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.

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.

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.

Unauthorised Transactions

arising directly or indirectly from or in respect of Professional Services provided by or on behalf of the Insured while without a current Australian Financial Services Licence, including but not limited to by reason of the suspension, non-renewal, withdrawal or cessation of an Australian Financial Services Licence, in circumstances where an Australian Financial Services Licence is required by law for such Professional Services.

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.

General Conditions

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 Period of Insurance, 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, faxed or emailed to the Liability & Profin Notification Centre at the Claims Notification address, fax number or email address 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.

No Admission of Liability

No admission, offer, promise or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Insurer. A notification to ASIC under section 912D of the Corporations Act, of a contravention or possible contravention by the Insured of its obligations under Chapter 7 of the Corporations Act, will not be construed as an admission of liability.

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.

Claims Settlement

Should the Insured object to a proposal by the Insurer to settle or compromise any Claim and wish to contest or litigate the matter, then the Insured may so elect, provided that the Insurer's liability in respect of any such Claim so contested or litigated shall not exceed the amount for which, but for such election, it could have been settled or compromised by the Insurer, together with costs and expenses payable in accordance with the terms of this Policy and incurred up to the time of such election, but subject always to the Excess and to the Limit of Indemnity.

Assisting with Claims

The Insured shall give all such assistance as the Insurer may reasonably require but none of them shall be required to contest any legal proceedings if it objects to doing so unless a Senior Counsel or a person of similar authority (appointed by mutual agreement between the Insured and the Insurer and paid for by the Insurer) shall advise such proceedings could be contested to the extent that there is a reasonable probability of success.

Other Insurance

If at the time any Claim arises under this Policy there is any other insurance in force covering the same liability the Insured shall promptly notify 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.

Cancellation

The Insured 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 on its short term rates for the time it has been on risk and the Insured will receive a refund of any balance of the premium actually paid.

The Insurer may cancel this Policy in accordance with the Insurance Contracts Act 1984 by giving notice in writing to the Insured of the date from which such cancellation is to take effect.

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.

Material Change

The Insured must notify the Insurer as soon as reasonably practicable of any material change in the risk insured by this Policy.

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 in terms of the Insurance Contracts Act 1984; or
- (b) comply with any obligation in terms of this Policy; 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 in terms of this Policy, provided that such remaining party or parties shall:

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

Stockbrokers Civil Liability Professional Indemnity Insurance Policy



Payment of Premium

The Insured must pay the premium specified in the Schedule for the Period of Insurance to the Insurer by the Due Date. The Due Date is on or before ninety days after the inception date of the Period of Insurance specified in the Schedule or such other time that the Insurer agrees in writing. If the Insured 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.

Territorial and Jurisdictional Limits of Cover

This Policy provides cover for:

- (a) any civil liability resulting from the conduct of the Professional Services anywhere in the world, except for any civil liability resulting from:
 - (i) the conduct of the Professional Services within North America; or
 - (ii) the provision of professional services to persons in North America as part of the conduct of the Professional Services; or
 - (iii) any act, error or omission occurring within North America.

and

- (b) 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 North 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 North America.

Goods and Services Tax

As part of the premium, the Insurer will charge the Insured an amount on account of GST.

The Insured must inform the Insurer of the extent to which it is entitled to an input tax credit for that GST amount each time that 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.

End of wording