

Defamation

Professional Liability Insurance Policy

POLICY

QM825

This Policy is underwritten by QBE Insurance (Australia) Limited
ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney



About this booklet

This booklet contains 2 separate parts:

General Information and the Policy Terms and Conditions.

General Information

This part of the booklet contains information you need to know before you take out a Policy. Please read it carefully before taking out this insurance.

Policy Terms and Conditions

The Policy part of this booklet contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It forms part of your legal contract with us.

If we issue you with an insurance policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send to you form your legal contract with us so please keep them in a safe place for future reference.

If you require further information about this product, please contact your Financial Services Provider.

About QBE Australia

QBE Insurance (Australia) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide industry-leading insurance solutions that are focused on the needs of intermediaries and their clients.

QBE is a household name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

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GENERAL INFORMATION FOR DEFAMATION INSURANCE POLICY

The information contained in this part is general information only and does not form part of your contract with us. The Policy Terms and Conditions in the rest of this booklet contain details of your contract.

Duty of Disclosure – What you must tell us

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. You are required before you enter into, renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**
 - that diminishes the risk
 - that is of common knowledge
 - that we know or should know in the ordinary course of our business as an insurer, or
 - which we indicate we do not want to know.
- **If you do not tell us**

If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as never having worked.

Privacy

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth.), when collecting and handling your personal information. QBE has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make. We will only use and disclose your personal information for a purpose you would reasonably expect.

We may need to disclose personal information to our reinsurers, (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, our advisers and those involved in the claims handling process (including assessors and investigators), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of litigation. We may disclose personal information to people listed as co-insured on your policy and to family members or agents authorised by you. We may also disclose information to organisations which conduct customer service surveys on our behalf. We will request your consent to any other purpose.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

You also have the opportunity to find out what personal information we hold about you and, when necessary, correct any errors in this information. Generally we will do this without restriction or charge. For further information about our Privacy Policy or to access or correct your personal information, please contact The Compliance Manager, QBE Insurance (Australia) Limited, GPO Box 82 Sydney NSW 2001. Telephone: (02) 9375-4656, Fax: (02) 8275-9022 or Email: compliance.manager@qbe.com

The General Insurance Code of Practice

QBE Insurance (Australia) Limited is a signatory to the General Insurance Code of Practice. The Code aims to:

- promote more informed relations between insurers and their customers; and
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE office and ask to speak to a dispute resolution specialist.

Claims made

This Policy operates on a 'claims made and notified' basis. This means that the Policy covers you for claims made against you and notified to us during the period of insurance.

The Policy does not provide cover in relation to:

- acts, errors or omissions actually or allegedly committed prior to the retroactive date of the Policy (if such a date is specified)
- claims made after the expiry of the period of insurance even though the event giving rise to the claim may have occurred during the period of insurance
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy

- claims made, threatened or intimated against you prior to the commencement of the period of insurance
- facts or circumstances of which you first became aware prior to the period of insurance, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this Policy
- claims arising out of circumstances noted on the proposal form for the current period of insurance or on any previous proposal form.

Where you give notice in writing to us of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the period of insurance, you may have rights under Section 40(3) of the Insurance Contracts Act 1984 to be indemnified in respect of any claim subsequently made against you arising from those facts notwithstanding that the claim is made after the expiry of the period of insurance. Any such rights arise under the legislation only. The terms of the policy and the effect of the policy is that you are not covered for claims made against you after the expiry of the period of insurance.

POLICY TERMS AND CONDITIONS FOR DEFAMATION INSURANCE POLICY

Preamble

In consideration of payment of the Premium, QBE will provide indemnity in accordance with, and subject to, the terms of this Policy.

Section 1: Insuring Clauses

Insuring Clause A

1.1 Legal Liability Insuring Clause

QBE agrees to indemnify the Insured against legal liability for any Claim for compensation first made against the Insured during the Period of Cover and which is notified to QBE during the Period of Cover, for any act of Defamation committed or alleged to have been committed on the part of the Insured in the conduct of the Professional Business Practice.

Insuring Clause B

1.2 Costs and Expenses Insuring Clause

QBE agrees to pay the Costs and Expenses incurred with the written consent of QBE in the defence or settlement of any Claim covered by this Policy. Provided always that such Costs and Expenses are part of, and not in addition to, the Limit of Indemnity.

1.3 Additional Notification Period

QBE agrees that the Insured may notify a Claim (in accordance with Condition 5.1 Reporting and Notice) either during the Period of Cover or within twenty-eight (28) days after its expiry. Provided always that such Claim was made against the Insured during the Period of Cover.

1.4 Retroactive Date

- “Unlimited Retroactive Cover” – unless a Retroactive Date is specified in the Schedule, this Policy shall provide cover in respect of any act of Defamation committed (or alleged to have been committed) irrespective of when such act of Defamation was committed (or was alleged to have been committed).
- “Limited Retroactive Cover” – where a Retroactive Date is specified in the Schedule, then this Policy shall only provide cover in respect of any act of Defamation committed or alleged to have been committed after the Retroactive Date.

Section 2: Automatic Extensions

Preamble

QBE shall provide indemnity as is available under this Section, for nil additional premium, provided always that:

- (a) each Extension is subject to the Schedule, Insuring Clauses, Conditions, Definitions, Exclusions, Deductible and other terms of this Policy (unless otherwise stated herein);
- (b) the inclusion of any Extension shall not increase the Limit of Indemnity.

2.1 Severability and Non-Imputation

QBE agrees that where this Policy insures more than one party, any conduct on the part of any party or parties whereby such party or parties:

- (a) failed to comply with the duty of disclosure in terms of the Insurance Contracts Act 1984; or
- (b) made a misrepresentation to QBE before this contract of insurance was entered into; or
- (c) failed to comply with any terms or conditions of this Policy;

shall not prejudice the right of the remaining parties to indemnity as may be provided by this Policy. Provided always that such remaining parties shall:

- (a) be entirely innocent of and have had no prior knowledge of any such conduct; and
- (b) as soon as is reasonably practicable upon becoming aware of any such conduct, advise QBE in writing of all known facts in relation to such conduct.

2.2 Trade Practices and Related Legislation

QBE agrees to provide coverage in respect of any Claim for damages or compensation made against the Insured under the terms of the Trade Practices Act 1974 (Commonwealth), the Fair Trading Act 1987 (NSW), the Fair Trading Act 1985 (Victoria) or similar legislation enacted by the other states or territories of the Commonwealth of Australia or the Dominion of New Zealand.

2.3 Newly Created or Acquired Entity or Subsidiary

- (a) QBE agrees to provide coverage to any entity or Subsidiary acquired or created by the Insured during the Period of Cover for a period of up to fourteen (14) days (but never beyond the expiry date of the Period of Cover) from the date of such acquisition or creation.
- (b) QBE may, at its discretion, agree to provide further coverage beyond a period of fourteen (14) days (but never beyond the expiry date of the Period of Cover) where:
 - (i) the Insured has notified QBE of the acquisition or creation of the entity or Subsidiary and has provided all information requested by QBE; and

- (ii) any terms imposed by QBE including the charging of any additional premium considered appropriate, have been agreed by the Insured.

Provided always that any coverage provided under this Extension will only apply in respect of legal liability for any act of Defamation occurring subsequent to the date of acquisition or creation, unless otherwise agreed in writing by QBE.

2.4 Run-off Cover Insured Entity or Subsidiary

QBE agrees that in the event that an Insured entity or Subsidiary ceases to exist or operate or is consolidated with, merged into or acquired by any other entity then the coverage provided under this Policy with respect to such Insured entity or Subsidiary shall continue until the expiry date of the Period of Cover.

Provided always that such coverage shall only apply in respect of legal liability for any act of Defamation occurring prior to the effective date that such Insured entity or Subsidiary ceased to exist or operate or was consolidated with, merged into or acquired by another entity, unless otherwise agreed in writing by QBE.

2.5 Estates and Legal Representatives

QBE agrees to provide coverage to the estate, heirs, legal representatives or assigns of any Insured in the event of the death or incapacity of such Insured. Provided always that such persons shall observe and be subject to all the terms of this Policy insofar as they can apply.

Section 3: Optional Extension

Preamble

QBE agrees to provide indemnity as may be available under this Section, provided always that:

- (a) the Extension is subject to the Schedule, Insuring Clauses, Conditions, Definitions, Exclusions, Deductible and other terms of this Policy (unless otherwise stated herein);
- (b) where the Extension is not specified in the Schedule then this Policy shall not provide any indemnity in relation to coverage specified under such Extension;
- (c) the granting of the Extension is at the sole and absolute discretion of QBE who reserves the right to charge any additional premium as it may require.

3.1 Increased Aggregate Limit of Indemnity

QBE agrees to increase the Limit of Indemnity under this Policy by an amount equal to the Limit of Indemnity. Provided always that QBE's total liability under this Policy shall not exceed:

- (a) in respect of any one Claim, the Limit of Indemnity as specified in the Schedule; and
- (b) in respect of all Claims, an amount equal to twice such Limit of Indemnity.

Section 4: Exclusions

QBE shall not be liable under this Policy to provide indemnity in respect of any Claim against the Insured:

4.1 Prior or Pending

- (a) made, threatened or intimated against the Insured prior to the Period of Cover;
- (b) directly or indirectly based upon, attributable to, or in consequence of any fact or circumstance:
 - (i) of which written notice has been given, or ought reasonably to have been given, under any previous policy; or
 - (ii) of which the Insured first became aware prior to the Period of Cover, and which the Insured knew or ought reasonably to have known had the potential to give rise to a Claim under this Policy.

4.2 Fraud and Dishonesty

directly or indirectly based upon, attributable to, or in consequence of:

- (a) any actual or alleged dishonest, fraudulent, criminal, or malicious act or omission of any Insured; or
- (b) any act or omission of any Insured committed or alleged to have been committed with a reckless disregard for the consequences thereof; or
- (c) wilful breach of any statute, contract or duty by any Insured.

4.3 Assumed Duty or Obligation

directly or indirectly based upon, attributable to, or in consequence of any duty or obligation assumed by the Insured which is not assumed in the normal conduct of the Insured's Professional Business Practice.

4.4 Trading Debts

directly or indirectly based upon, attributable to, or in consequence of any trading debt incurred by the Insured or any guarantee given by the Insured for a debt.

4.5 Related or Associated Entities

brought or maintained by or on behalf of:

- (a) any Insured or any Subsidiary of the Insured; or
- (b) any person who, at the time of the act of Defamation giving rise to the Claim, is a "Family Member" unless such person is acting without any prior direct or indirect solicitation or co operation of any Insured.

For the purpose of this Exclusion, "Family Member" means:

- (a) any spouse, domestic partner, or companion;
 - (b) any parent, or parent of the spouse, domestic partner or companion;
 - (c) any sibling or child;
- of the Insured who permanently resides with the Insured.

4.6 Obligations to Employees

directly or indirectly based upon, attributable to, or in consequence of bodily injury, mental injury, sickness, disease or death of any Employee of the Insured or damage to or destruction of any property of any Employee, including loss of use, arising out of, or in the course of, their employment.

4.7 Bodily Injury and Property Damage

directly or indirectly based upon, attributable to, or in consequence of:

- (a) bodily injury, sickness, disease or death of any person, however this Exclusion shall not apply to mental injury, mental anguish, nervous shock or emotional distress not associated with bodily injury;
- (b) physical loss of, damage to, or destruction of, any tangible property, including loss of use thereof or any consequential loss.

4.8 Prohibited Matter

directly or indirectly based upon, attributable to, or in consequence of the publication or broadcast knowingly, consciously or deliberately of any matter prohibited by or in violation of any state or federal law, rule or regulation under the jurisdiction of which the publication or broadcast is made.

4.9 Loss of Licence

directly or indirectly based upon, attributable to, or in consequence of any publication or broadcast made subsequent to the loss, suspension or cancellation of the Insured's licence.

4.10 Fines and Penalties

for punitive, aggravated, multiple or exemplary damages, or fines or penalties imposed by law, including but not limited to, civil penalties.

4.11 Nuclear

directly or indirectly based upon, attributable to, or in consequence of ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of any nuclear fuel.

4.12 War

directly or indirectly based upon, attributable to, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition of or damage to property by or under the order of any government or public local authority.

4.13 Terrorism

4.13.1 Arising directly or indirectly from, or in any way connected with, an act of Terrorism or any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism ("the Terrorism exclusion").

4.13.2 An act of Terrorism means an act, including but not limited to the use of force or violence and/or 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 and/or to put the public, or any section of the public in fear.

4.13.3 The Terrorism exclusion operates in connection with any act of Terrorism regardless of any other cause or event and regardless of the sequence of the act(s) of Terrorism and the other cause(s) or event(s).

4.13.4 If QBE asserts that the Terrorism exclusion applies, then in any action, suit, proceedings or claim brought by or on behalf of the Insured in connection with the Terrorism exclusion, the burden of proving that the Terrorism exclusion does not operate shall be upon the Insured. QBE is not required to prove that the Terrorism exclusion applies.

4.13.5 If the Insured brings any action, suit, proceedings or claim against QBE in connection with the operation of the Terrorism exclusion, and the Insured does not prove that the Terrorism exclusion does not apply, the Insured shall pay QBE's costs of responding to the action, suit, proceedings or claim on an indemnity basis.

Section 5: Claims Conditions

5.1 Reporting and Notice

- (a) The Insured shall give to QBE written notice as soon as practicable of any Claim made against the Insured provided always that such written notice is given to QBE during the same Period of Cover or within twenty-eight (28) days after its expiry.
- (b) Notice of any Claim shall be given in writing to QBE, and delivered to:

Claims Unit Manager
Professional Liability Division
QBE Insurance (Australia) Limited
82 Pitt Street
SYDNEY NSW 2000

5.2 Defence and Settlement

- (a) The Insured agrees not to settle any Claim, incur any Costs and Expenses, make any admission, offer or payment or otherwise assume any contractual obligation with respect to any Claim without QBE's written consent, such consent not to be unreasonably withheld. QBE shall not be liable for any settlement, Costs and Expenses, admission, offer or payment, or assumed obligation to which it has not consented.
- (b) QBE shall be entitled at any time to conduct, in the name of the Insured, the defence or settlement of any Claim.
- (c) QBE may, if it believes that any Claim will not exceed the Deductible, instruct the Insured to conduct the defence of the Claim. In such situation, QBE will reimburse the Insured for all reasonable Costs and Expenses in the defence of the Claim in the event that any payment made to dispose of the Claim exceeds the Deductible.

5.3 Insured's Right to Contest

In the event that QBE recommends settlement in respect of any Claim and the Insured does not agree that such Claim should be settled, then the Insured may elect to contest such Claim. Provided always that QBE's liability in connection with such Claim shall not exceed the amount for which the Claim could have been so settled plus the Costs and Expenses incurred with QBE's written consent up to the date of such election.

5.4 Senior Counsel Clause

- (a) QBE shall not require the Insured to contest any Claim unless a Senior Counsel (to be mutually agreed upon by the Insured and QBE) shall advise that such Claim should be contested.
- (b) In formulating such advice, Senior Counsel shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely Costs and Expenses and the prospects of the Insured successfully defending the Claim.
- (c) The cost of such Senior Counsel's opinion shall be regarded as part of the Costs and Expenses.

5.5 Claims Mitigation and Co-operation

- (a) The Insured shall use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any liability hereunder.
- (b) The Insured shall frankly and honestly disclose to QBE all relevant information and, in addition shall provide assistance to QBE, as it may require to enable it to investigate and to defend any Claim under this Policy and/or to enable QBE to determine its liability under this Policy.
- (c) Other than costs and expenses incurred to enable QBE to determine its liability under this Policy, compliance with this Condition shall be at the Insured's own cost, unless otherwise agreed in writing by QBE.

5.6 Subrogation

In the event of any payment under this Policy, QBE shall be subrogated to the extent of such payment to all the Insured's rights of recovery, and the Insured shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of documents necessary to enable QBE effectively to bring suit in the name of the Insured.

Section 6: General Conditions

6.1 Limit of Indemnity

- (a) QBE's total liability under this Policy for any one Claim and in the aggregate in respect of all Claims shall not exceed the Limit of Indemnity specified in the Schedule, such amount being inclusive of all Costs and Expenses incurred in the defence or settlement of any Claim.
- (b) Where QBE has agreed to provide an Increased Aggregate Limit of Indemnity in accordance with Optional Extension 3.1, then QBE's total liability under this Policy in respect of all Claims shall not exceed the aggregate Limit of Indemnity specified in the Schedule, such amount being inclusive of all Costs and Expenses incurred in the defence or settlement of any Claim.

6.2 Deductible

- (a) In respect of each Claim made against the Insured the amount of the Deductible shall be borne by the Insured at their own risk and QBE shall only be liable to indemnify the Insured or that part of any Claim which is in excess of the Deductible.
- (b) Where QBE has elected to pay all or part of the Deductible in respect of any Claim, the Insured shall, within seven (7) days from the date of such payment, reimburse QBE for such payment.
- (c) In respect of any Claim where the amount of the Claim is less than the amount of the Deductible, the Insured shall bear all Costs and Expenses associated therewith unless QBE shall have agreed to meet such Costs and Expenses pursuant to Insuring Clause B.
- (d) Where the Deductible is expressed in the Schedule to be inclusive of Costs and Expenses then the Insured will pay all Costs and Expenses, up to the amount of the Deductible, incurred by QBE pursuant to the engagement of advisers considered necessary by QBE to determine the liability of the Insured and to resolve the Claim.
- (e) Any costs and expenses incurred by QBE to determine whether QBE has a liability to indemnify the Insured under this Policy shall not be subject to the Deductible but shall be borne by QBE.

6.3 Multiple Claims

- (a) All causally connected or interrelated acts of Defamation shall jointly constitute a single act of Defamation under this Policy.
- (b) Where a single act of Defamation gives rise to more than one Claim, all such Claims shall jointly constitute one Claim under the Policy, and only one Deductible shall be applicable in respect of such Claim.

6.4 Alteration to Risk

The Insured shall give to QBE written notice as soon as practicable of any material alteration to the risk during the Period of Cover including:

- (a) the Insured going into voluntary bankruptcy, receivership or liquidation or the Insured failing to pay debts or breaching any other obligation giving rise to the appointment of a receiver or bankruptcy or winding-up proceedings;
- (b) the loss, suspension or cancellation of the Insured's licence;
- (c) any material change in the nature of the services offered by the Insured.

6.5 Territorial Cover

The coverage provided under this Policy shall extend to legal liability arising out of acts, errors or omissions committed anywhere in the world except where such acts, errors or omissions occur within the territorial limits of the United States of America or the Dominion of Canada or their territories or protectorates.

6.6 Jurisdictional Cover

The coverage provided under this Policy shall extend to any Claim brought in a court of law within the territorial limits of the Commonwealth of Australia or the Dominion of New Zealand. Provided always that such Claim does not arise out of the enforcement of any judgement, order or award obtained within, or determined pursuant to the laws of any country outside of the territorial limits of the Commonwealth of Australia or the Dominion of New Zealand.

6.7 Cancellation

- (a) The Insured may cancel this Policy at any time by notifying QBE in writing, and QBE will allow a pro-rata refund of Premium for the unexpired Period of Cover.
- (b) QBE may cancel this Policy in accordance with the relevant provisions of the Insurance Contracts Act 1984 and QBE will provide a pro-rata refund of Premium for the unexpired Period of Cover.

6.8 Assignment of Interest

No change in, or modification of, or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy and signed by an authorised employee of QBE.

6.9 Policy Construction and Interpretation

- (a) The construction, interpretation and meaning of the provisions of this Policy shall be determined in accordance with the law of the state, territory or country in which this Policy is issued, and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the courts of such state, territory or country.
- (b) The marginal notes and titles of paragraphs in this Policy are included for descriptive purposes only and do not form part of this Policy for the purpose of its construction or interpretation.
- (c) Under this Policy, the masculine includes the feminine, and the singular includes the plural and vice versa.

6.10 GST

Where the Insured pays an amount for any acquisition relevant to a Claim covered under this insurance which includes GST, or where the Insured would pay such an amount were the Insured to make a relevant acquisition, QBE will indemnify the Insured for that GST less any input tax credit the Insured is or would be able to claim for it (the "GST amount").

QBE will pay the GST amount in addition to the Limit of Indemnity shown in the Schedule.

Where the amount paid by QBE in respect of the Claim is less than the total amount of the Claim, QBE will only provide indemnity to the Insured for the GST amount that relates to QBE's proportion of the Insured's Claim. This means that in the event that the Limit of Indemnity is not sufficient to cover the total amount of the Claim, QBE will only provide indemnity to the Insured for the GST that relates to the Insured's agreed payment under the Policy.

QBE will not indemnify the Insured for any GST liability that arises due to the Insured's failure to notify QBE of the Insured's entitlement or correct entitlement to an input tax credit on the Premium.

"GST", "input tax credit" and "acquisition" have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999.

Section 7: Definitions

7.1 Claim

"Claim" shall mean:

- (a) the receipt by the Insured of any written or verbal notice of demand for compensation made by a third party against the Insured.
- (b) any writ, statement of claim, summons, application or other originating legal or arbitral process, cross-claim, counterclaim or third or similar party notice served upon the Insured.

7.2 Costs and Expenses

"Costs and Expenses" shall mean the expenses incurred by or on behalf of the Insured or QBE in the investigation or defence of a Claim and shall include legal costs and disbursements.

7.3 Deductible

"Deductible" shall mean the amount of deductible as specified in the Schedule.

7.4 Defamation

"Defamation" shall mean:

- (a) libel or slander by reason of words written or spoken.
- (b) infringement of copyright, trademarks, registered designs or patents, or any plagiarism.
- (c) negligent advice, mistake, misprint or erroneous matter or material contained in any of the Insured's publications.

7.5 Employee

"Employee" shall mean any person employed under a contract of service during or prior to commencement of the Period of Cover.

7.6 Insured

"Insured" shall mean:

- (a) the person, persons, partnership, company, corporation or other entity specified as the Insured in the Schedule including their predecessors in business; and
- (b) any person who is, during the Period of Cover, a principal, partner, director or Employee of the Insured.

Provided always that should any principal, partner, director or Employee of the Insured resign or retire or have his employment terminated, he shall cease to be an Insured from the date of such resignation, retirement or termination.

7.7 Limit of Indemnity

"Limit of Indemnity" shall mean the limit of liability under this Policy as specified in the Schedule.

7.8 Period of Cover

"Period of Cover" shall mean the period specified in the Schedule.

7.9 Professional Business Practice

“Professional Business Practice” shall mean the business conducted by the Insured, as specified in the Schedule, whereby the Insured pursues his profession and which is conducted under the name specified as the Insured in the Schedule. If the practice should change its name and there is no other change which materially alters the risk, the business will continue to be deemed to be the “Professional Business Practice”.

7.10 Policy

“Policy” shall mean:

- (a) the Schedule, Insuring Clauses, Extensions, Conditions, Definitions, Exclusions and other terms contained herein; and
- (b) any endorsement attaching to and forming part of this Policy either at inception or during the Period of Cover; and
- (c) the Proposal.

7.11 Premium

“Premium” shall mean the premium specified in the Schedule or in any endorsement to the Schedule.

7.12 Proposal

“Proposal” shall mean the written proposal made by the Insured to QBE containing particulars and statements which, together with other information provided by the Insured, are the basis of this Policy and are considered as incorporated herein.

7.13 QBE

“QBE” shall mean QBE Insurance (Australia) Limited (ABN 78 003 141 035).

7.14 Schedule

“Schedule” shall mean the schedule to this Policy.

7.15 Senior Counsel

“Senior Counsel” shall mean a barrister in active practice who is entitled to use the post nominals Q.C. or S.C. in any one or more superior court in Australia or New Zealand.

7.16 Subsidiary

“Subsidiary” shall mean:

- (a) any entity which by virtue of any applicable legislation or law is deemed to be a subsidiary of the Insured specified in the Schedule; or
- (b) any entity over which the Insured specified in the Schedule is in a position to exercise effective direction or control through ownership or control of more than fifty percent (50%) of the issued voting shares of such entity.

