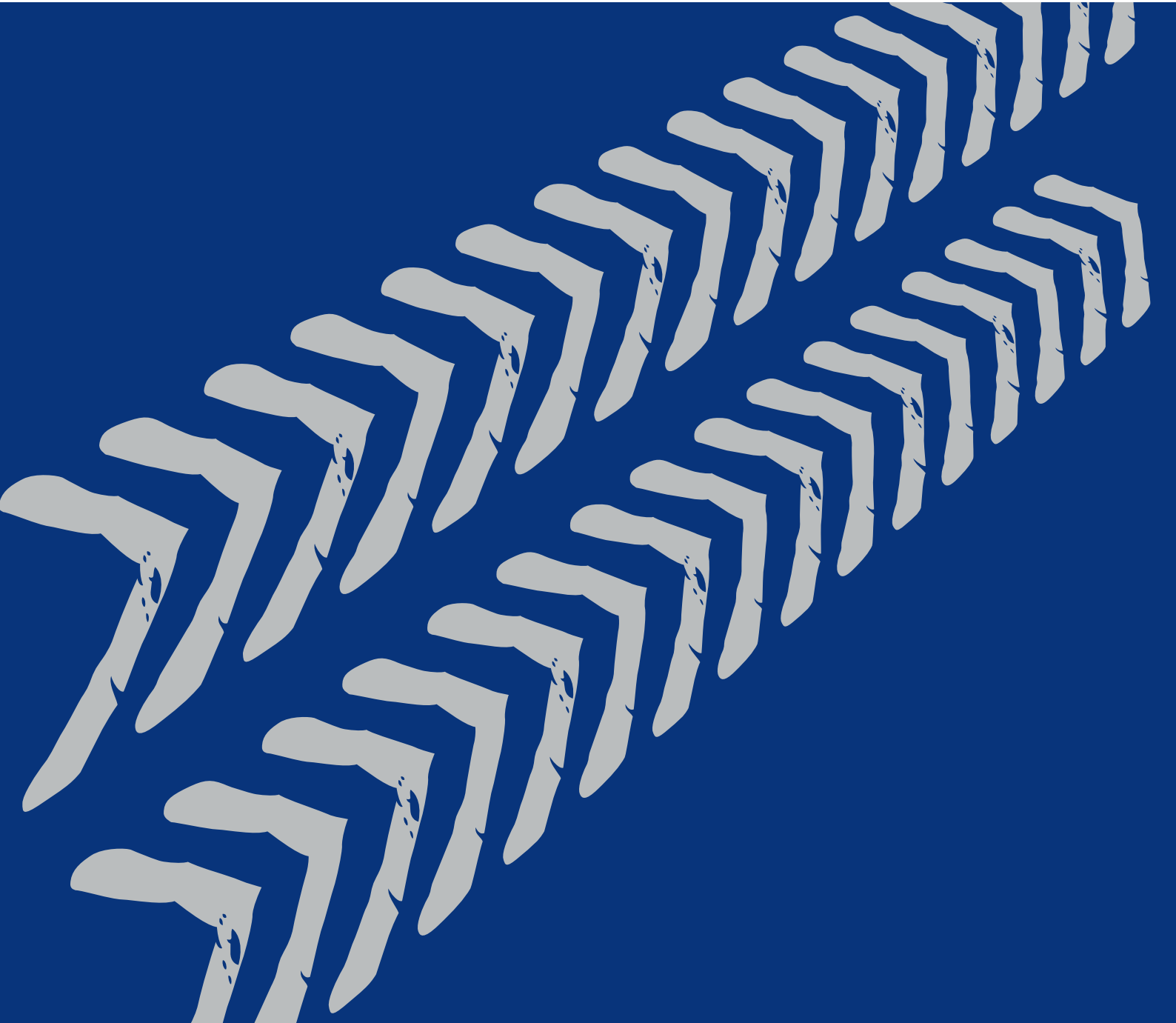




CONTRACTORS INSURANCE
MAKING BETTER TRACKS

Contractors Combined Liability Policy



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welcome to Contractors Combined Liability Policy

Introduction

In consideration of the payment of the premium *We* will indemnify the *Insured* as set out below.

Section 1 General Liability

Insuring Clauses

1. *We* will indemnify the *Insured* for all sums the *Insured* becomes legally liable to pay as compensation in respect of:
 - (a) accidental *Personal Injury*, or
 - (b) accidental *Property Damage*, or
 - (c) accidental *Completed Operations Hazard*, or
 - (d) accidental *Products Hazard*happening during the *Period of Insurance* within the *Territory* caused by an *Event* in connection with the Business of the *Insured*.
2. *We* will also indemnify the *Insured*, in addition to the Limit of Indemnity, in respect of any valid claim under this Section for the cost of:
 - (a) defending the *Insured* against the alleged legal liability, including meeting the costs of any investigations or negotiations as *We* deem necessary, provided that the Limit of Indemnity under the Section has not previously been exhausted, and
 - (b) all defence costs incurred by *Us*, or by the *Insured* with *Our* prior written consent, including costs, taxes and interest incurred in any proceedings until *We* have paid the amount of any judgment not exceeding the Limit of Indemnity of the Section;
 - (c) the *Insured's* expenses for first aid to others.

Limit Of Indemnity And Excess

1. The most *We* will pay for each *Event* is the Limit of Indemnity stated in the Schedule.
3. The most *We* will pay for all Events during the *Period of Insurance* arising out of the *Completed Operations Hazard* and/or *Products Hazard* is the Limit of Indemnity stated in the Schedule.
4. *We* will deduct the Excess stated in the Schedule from each claim made against the *Insured*.
5. The most *We* will pay for liability for *Personal Injury* or *Property Damage* arising out of any vibration, underpinning, weakening or removal of support is the sub-limit stated in the Schedule per *Event*. The Excess stated in the Schedule will be deducted per *Event*.
6. In respect of any claims arising out of *Property Damage* to any underground services:
 - (a) *Our* liability shall not exceed the sub-limit stated in the Schedule per *Event*;
 - (b) the Excess shall be as stated in the Schedule per *Event*;
 - (c) this sub-limit shall not apply to any consequential loss arising from such *Property Damage* to any underground services;

Exclusions

This Section does not apply to liability:

- (a) for *Personal Injury* to any person arising out of or in the course of employment of such person in the service of the *Insured*. But this exclusion does not apply with respect to liability of others assumed by the *Insured* under written contract,
- (b) for *Personal Injury* covered under any Accident Compensation Scheme (ACC) or Workmen's Compensation legislation,
- (c) for *Property Damage* to property which is in the *Insured's* care, custody or control, provided that this Exclusion shall not apply to:
 - (i) premises which are leased, rented, tenanted or hired by or to the *Insured*; provided that the *Insured* shall bear the first \$100 in respect of such *Property Damage* caused other than by fire or explosion;
 - (ii) Vehicles, other than Vehicles owned or used by or on behalf of the *Insured*, in the care, custody or control of the *Insured*, only whilst such Vehicles are in a car park owned or operated by the *Insured*, other than for income or reward as a car park operator;
 - (iii) goods, equipment, merchandise and property, other than real property, subject to a sub-limit stated in the Schedule, provided the *Insured* bears the Excess shown in the Schedule;
- (d) for *Property Damage* to the *Insured's Products* arising out of defect in the *Insured's Products* or any part;

- (e) for loss of use of tangible property which has not suffered *Property Damage* resulting from:
 - (i) a delay in or lack of performance by or on behalf of the *Insured* of any contract or agreement;
 - (ii) the failure of the *Insured's Products* or work performed by or on behalf of the *Insured* to meet the level of performance, quality, fitness or durability warranted or represented by the *Insured*.

But this exclusion does not apply to loss of use of other tangible property resulting from accidental *Property Damage* to the *Insured's Products* or work performed by or on behalf of the *Insured* after such products or work have been put to use by any person or organisation, other than an *Insured*;
- (f) for *damages* claimed for the withdrawal, inspection, repair, replacement or loss of use of the *Insured's Products*, or work completed by or for the *Insured*, or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency;
- (g) for *Personal Injury* or *Property Damage* arising out of ownership, maintenance, operation, use, loading or unloading by the *Insured*, or by any person in the course of his/her employment by any *Insured*, of:
 - (i) any aircraft;
 - (ii) any watercraft exceeding 10 metres in length;
 - (iii) any *Vehicle* which is required by law to be registered for road use. But this exclusion shall not apply in respect of liability arising out of loading or unloading by the *Insured* or his employees;
- (h) for *Personal Injury* or *Property Damage* directly or indirectly caused by or contributed to by or arising from ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- (i) for *Products Hazard* only, liability assumed by the *Insured* under any agreement, other than written contracts designated in the Schedule. But this exclusion does not apply to a warranty of fitness or quality of the *Insured's Product*, or a warranty that work performed by or on behalf of the *Insured* will be done in a workmanlike manner;
- (j) for breach of a duty owed in a professional capacity. This exclusion does not apply to the provision of, or failure to provide, professional medical treatment and/or advice by medical practitioners, nurses, dentists and first aid attendants employed by the *Insured* to provide services on the premises of the *Insured*;
- (k) for *Personal Injury* or *Property Damage* arising out of discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water. This exclusion does not apply if such discharge, dispersal, release or escape is sudden and accidental and takes place in its entirety at a specific time and place;
- (l) resulting from a defamatory statement published at the *Insured's* direction knowing it is false; or resulting from publishing, advertising, broadcasting or television activities of or on behalf of the *Insured*;
- (m) for failing to insure property.
- (n) arising from work performed on or about any offshore gas or oil platform.
- (o) for *Property Damage* to property on which the *Insured* is or has been working, and which arises out of such work.
- (p) arising directly or indirectly from any demolition work where any of the following apply:
 - (i) the height of the building/structure exceeds 10 metres
 - (ii) the building/structure exceeds 2 storeys
 - (iii) the contract value exceeds \$100,000 (excluding salvage)
 - (iv) adjacent buildings/structures are less than 3 metres
 - (v) explosives are used
 - (vi) underpinning or weakening or removal of support is involved
 - (vii) damage to existing buildings or structures is the *Insured's* responsibility
 - (viii) the *Insured* uses subcontractors
 - (ix) the work involves ball and chain

Conditions

1. **Claims**

- (a) If any *Event* occurs, written notice containing full particulars must be given by the *Insured* to *Us* as soon as practicable.
- (b) If a claim is made against the *Insured* or proceedings are brought against the *Insured* the *Insured* must immediately forward all documents and information to *Us*.
- (c) The *Insured* must fully co-operate with *Us* and assist *Us* in defending the liability, and in enforcing any right of contribution or indemnity against any person or organisation, who may be liable to the *Insured*. The *Insured* shall attend all hearings and give evidence and assist with the attendance of witnesses.
- (d) The *Insured* shall not admit liability for or settle any claim, or incur any costs or expenses in connection with a claim, without *Our* prior written consent. *We* shall be entitled to take over and to conduct in the name of the *Insured* the defence or settlement of any claim, and any counterclaim. *We* shall not be required to contest any legal proceedings unless a Queen's Counsel (to be mutually agreed) shall advise that such proceedings should be contested.
- (e) If the *Insured* refuses to consent to any settlement recommended by *Us*, and wishes to continue any legal proceedings, *Our* liability under this policy shall not exceed the amount for which the claim could have been settled (less the Excess stated in the Schedule), plus the costs and expenses incurred up to the date of such refusal.

2. **Separate Insureds and Cross Liability**

Where the *Insured* is more than one legal entity:

- (a) each entity is *insured* separately, and
- (b) the proposal shall be deemed to have been completed and submitted by entity separately.

3. **Fraud**

If any claim under this Section is dishonest or fraudulent in any way, all benefits under this Section shall be forfeited.

4. **Contract**

This Section, the Schedule and the proposal shall be read together as one contract.

5. **Other Insurance**

If, at the time of an *Event* the *Insured* is covered under any other policy of insurance, the cover under this Section only applies in excess of the cover under that other policy of insurance.

6. **Premium**

If the first or renewal premium for this Section, or any part of it, has been calculated on estimates supplied by the *Insured*, then the *Insured* must keep an accurate record containing all relevant particulars, and must at all times allow *Us* to inspect that record.

The *Insured* shall within 30 days after the expiry of the *Period of Insurance* supply to *Us* such particulars and information as *We* may require. The premium for the *Period of Insurance* shall then be adjusted, and any difference shall be paid by or returned to the *Insured*, as the case may be, subject to *Our* minimum premium.

7. **Reasonable Care**

The *Insured* must take reasonable care at all times to avoid incurring any legal liability. There is no cover under this Section if the *Insured* is reckless or grossly irresponsible.

8. **Compliance**

It is a condition precedent to payment of any claim under this policy that the *Insured* has complied with all its obligations under it.

9. **Hot Work**

Where the *Insured* carries out any welding and/or cutting work it is warranted that the *Insured* shall comply with the New Zealand Standard 4781:1973 Code of Practice for Safety in Welding and Cutting (or any substitute).

10. **Underground Services**

There is no cover for any claim arising out of work to underground services unless prior to the commencement of the work, the *Insured* obtained from the relevant authority the location of the services.

Definitions

1. **“Completed Operations Hazard”** includes *Personal Injury* and *Property Damage* arising out of Operations, or reliance upon a representation or warranty made at any time with respect to Operations, but only if the *Personal Injury* or *Property Damage* occurs after such Operations have been completed or abandoned and occurs away from premises owned by or rented to the *Insured*.
“Operations” include materials, parts or equipment furnished in connection with them. Operations shall be deemed completed at the earliest of the following times:
 - (i) when all Operations to be performed by or on behalf of the *Insured* under the contract have been completed;
 - (ii) when all Operations to be performed by or on behalf of the *Insured* at the site of the Operations have been completed;
 - (iii) when the portion of work out of which the injury or damage arises has been put to its intended use by any person or organisation, other than another contractor or subcontractor engaged in performing Operations for a principal as a part of the same project.The *Completed Operations Hazard* does not include *Personal Injury* or *Property Damage* arising out of:
 - (i) Operations in connection with the transportation of property, unless the *Personal Injury* or *Property Damage* arises out of a condition in or on a vehicle created by its loading or unloading;
 - (ii) the existence of tools, uninstalled equipment or abandoned or unused materials.
2. **“Insured”** means:
The persons or entities named in the Schedule, and:
 - (a) any subsidiary company (including its subsidiaries) of the entity named in the Schedule, and any other organisation under the control of that entity and over which it is exercising active management;
 - (b) any director, employee, partner or shareholder of the entity named in the Schedule and (a) above, but only whilst acting within the scope of their duties in such capacity;
 - (c) any person, principal, organisation, trustee or estate to whom or to which the person or entity named in the Schedule is obligated by virtue of a written contract to provide insurance as is afforded by this Section, but only to the extent required by such contract and, in any event, only for such coverage and limit of indemnity as provided in this Section;
 - (d) any social and/or sporting club formed with the consent of the person or entity named in the Schedule, including any office bearer or member in that capacity;
 - (e) any new organisation acquired by the person or entity named in the Schedule during the *Period of Insurance* through consolidation, merger, purchase of the assets of or assumption of control and active management, provided such acquisition or assumption is reported to *Us* within 90 days after it is effected and provided further that such acquisition is endorsed on this Section.
3. The **“Insured’s Products”** means any thing (after it has ceased to be in the possession or under the control of the *Insured*) manufactured, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed by the *Insured* (including any container, other than a vehicle).
4. **“Event”** means an event, including a continuous or repeated exposure to conditions, which results in *Personal Injury* or *Property Damage*.
5. **“Personal Injury”** means:
 - (a) bodily injury, sickness or disease including death resulting at any time; disability, shock, mental anguish or injury and humiliation;
 - (b) false or wrongful arrest, imprisonment, detention or eviction;
 - (c) defamation;
 - (d) invasion of privacy;
 - (e) assault or battery not committed by or at the direction of the *Insured*;occurring during the *Period of Insurance*.
6. **“Products Hazard”** means *Personal Injury* or *Property Damage* arising out of the *Insured’s Products*, or reliance upon a representation or warranty made at any time with respect to such Products, but only if the *Personal Injury* or *Property Damage* occurs away from premises owned by or leased or rented to the *Insured* and after physical possession of such products has been relinquished to others.
7. **“Property Damage”** means:
 - (a) physical injury to or destruction of tangible property, which occurs during the *Period of Insurance*, including resulting loss of use at any time;
 - (b) loss of use of tangible property, which occurs during the *Period of Insurance*, which has not been physically injured or destroyed, provided such loss of use is caused by an Occurrence.

8. **“Territory”** means the following:
- (a) with respect to the premises and operations of the *Insured* anywhere in New Zealand.
 - (b) with respect to the *Products Hazard* anywhere in New Zealand.
 - (c) with respect to incidental travel anywhere in the world.
- Provided that this insurance does not apply to any judgment or settlement outside New Zealand or to any order made outside New Zealand to enforce a judgment or settlement.
9. **“We/Us/Our”** means NTI New Zealand Limited as authorised agent for IAG New Zealand Limited.
10. **“Vehicle”** means any type of machine as defined under the Land Transport Act 1998 and its amendments, or under the laws of the country in which the machine is operated (as the case may be).

Extensions

Punitive And Exemplary Damages

The cover under this Section is extended to indemnify the *Insured* in respect of legal liability to pay punitive or exemplary damages for accidental *Personal Injury* in New Zealand, provided:

- (a) any liability arising from trespass to the person, assault, battery, false imprisonment, malicious prosecution, sexual harassment or sexual abuse is excluded;
- (b) any award of punitive or exemplary damages by any Court outside New Zealand is excluded;
- (c) the most *We* will pay is the sub-limit stated in the Schedule, inclusive of costs and expenses, for all Events during the *Period of Insurance*;
- (d) the *Insured* must pay the Excess stated in the Schedule in respect of each claim, inclusive of costs and expenses, shall apply.

Forest And Rural Fires Act

The cover under this Section is extended to indemnify the *Insured* for all sums that the *Insured* shall become legally liable to pay for:

- (1) Costs (but excluding levies for expenditure under Sections 44 and 45 and fines and penalties) incurred and apportioned by any Fire Authority under the Forest and Rural Fires Act 1977, and
- (2) Costs claimed by any other party in order to protect their property from fire.

arising in connection with the Business of the *Insured*.

Provided

- (a) *Our* liability shall not exceed the sub-limit stated in the Schedule;
- (b) The *Insured* shall bear the Excess shown in the Schedule in the aggregate for all sums payable to all claimants arising out of any *Event*.

This Extension shall apply:

- (c) whether *Property Damage* has occurred or not;
- (d) to machinery, plant, trailers or mechanically propelled vehicles.

Goods On Hook

The cover under this Section is extended to indemnify the *Insured* in respect of accidental *Property Damage* to property in New Zealand being lifted or lowered or moved or carried by any cranes owned, hired, or otherwise the responsibility of the *Insured*.

In this Extension “*Property Damage*” shall mean physical injury to or destruction of tangible property which occurs during the *Period of Insurance*.

The sub-limit stated in the Schedule shall apply to all Events in the aggregate during the *Period of Insurance*.

Product Withdrawal Costs

Regardless of Exclusion (f) applicable to this Section 1, *We* will contribute 80% of the costs in excess of the Excess stated in the Schedule for legal liability for physically withdrawing or recalling from use in New Zealand the *Insured’s Products* which have already given rise to a claim under this Policy, if *We* agree that the withdrawal is necessary for the purpose of preventing similar claims arising.

The most *We* will pay in respect of all such costs incurred in relation to all such withdrawals or recalls in the *Period of Insurance* is the sub limited stated in the Schedule.

Service And Repair

Regardless of Exclusions (c) or (g) applicable to this Section 1, the cover under this Section is extended to indemnify the *Insured* against legal liability for:

1. accidental *Property Damage* to any motor vehicle, watercraft (not exceeding 10 metres in length) or other property caused by service or repair to such vehicle, watercraft or other property, but excluding liability for the cost of rectifying defective or faulty workmanship in respect of the actual part or parts worked upon. This Extension is subject to the sub-limit and the Excess shown in the Schedule for each *Event*.
2. accidental *Personal Injury* or accidental *Property Damage* (other than to the motor vehicle, watercraft or other property serviced or repaired) arising from service or repair to any motor vehicle, watercraft (not exceeding 10 metres in length) or other property. This Extension is subject to the Excess shown in the Schedule for each *Event*.

Vibration, Removal of Support

The cover under this Section is extended to indemnify the *Insured* in respect of accidental *Personal Injury* or accidental *Property Damage* arising out of vibration, underpinning, weakening or removal of support.

The sub-limit and excess stated in the Schedule shall apply to each *Event* during the *Period of Insurance*.

Mechanical Plant

The cover under this Section is extended to indemnify the *Insured* in respect of accidental *Personal Injury* or accidental *Property Damage* relating to any bridge, viaduct, weighbridge, road or anything beneath the *Vehicle* caused by vibration or by the weight of any *Vehicle* and/or its load, provided:

- (a) any designated weight restrictions were not exceeded;
- (b) an Excess of \$500 shall apply.

Trade Advice

Regardless of Exclusion (j) applicable to this Section 1, the cover under this Section is extended to indemnify the *Insured* in respect of accidental *Personal Injury* or accidental *Property Damage* arising out of an error or omission in advice or service, provided the advice or service is rendered by the *Insured* without charge.

Section 2 Employers' Liability

Insuring Clause

We will indemnify the *Insured* against legal liability to pay *Damages*, and all related *Defence Costs*, as a result of any employee (including any temporary or part-time employee) of the *Insured* sustaining *Personal Injury* on or after the *Retroactive Date* in the course of their employment, arising from a claim or demand (or a circumstance the *Insured* becomes aware of that is likely to lead to this) that is:

- (a) first made against the *Insured* (or known by the *Insured*) during the *Period of Insurance*, and
- (b) first notified to *Us* during the *Period of Insurance* or up to 30 days after its expiry (or if exercised) the Extended Reporting Period.

Limit Of Indemnity And Excess

1. All claims for *Damages* and *Defence Costs* arising out of any one *Personal Injury* or inter-related Personal Injuries are deemed to be one claim. Any claim arising from inter-related Personal Injuries is deemed to have originated in the earliest period of insurance in which notice is given to *Us* in connection with any of the Personal Injuries.
2. We will deduct the Excess stated in the Schedule from each claim.

Subject to the Goods and Services Tax extension of this Section the most We will pay for *Damages* and *Defence Costs* for all claims under this Section shall not exceed the Limit of Indemnity stated in the Schedule.

Extended Reporting Period

1. If We terminate or refuse to renew this Section, the *Insured* is entitled to an extension of the cover granted under this Section for a further period of 12 months immediately following termination or non-renewal of the Section, but only in respect of any *Personal Injury* taking place both before the effective date of termination or non-renewal and after the *Retroactive Date*.
2. The entitlement to this extension must be exercised by written notice to *Us* prior to the effective date of termination or within 30 days following the effective date of non-renewal.
3. The premium for this extended reporting period will be not more than 50% of the annual premium applicable to this Section.

Exclusions

1. This Section does not apply to liability:
 - (a) for any costs or compensation for which cover to any extent is provided by the Accident Compensation Scheme (ACC) or any other Workers Compensation legislation;
 - (b) for any judgment entered in any Court other than a New Zealand Court, or any debt incurred by the *Insured* as the result of such a judgment;
 - (c) for *Personal Injury* directly or indirectly caused by or contributed to by or arising from ionising radiation or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel or the radioactive toxic explosive or other hazardous properties or any explosive nuclear assembly or nuclear component thereof;
 - (d) for any fine or penalty levied against the *Insured*, provided that this exclusion shall not apply to any punitive or exemplary damages;
 - (e) in respect of any claim which is or should properly be brought in the Employment Tribunal or Employment Court, or for any personal grievance;
 - (f) in respect of any claim made, threatened or in any way intimated against the *Insured* and not notified to *Us* prior to the commencement of the *Period of Insurance* or, if this Section is renewed, prior to the effective date of renewal;
 - (g) for any circumstance or *Personal Injury* of which, at the commencement of the *Period of Insurance* or, if this Section is renewed, the effective date of renewal, the *Insured* is aware or ought reasonably to be aware and may give rise to a claim against the *Insured*;
 - (h) for any *Personal Injury* which has taken place or allegedly taken place prior to the *Retroactive Date* stated in the Schedule.
2. In respect of the exclusions, no fact pertaining to, knowledge possessed by, nor *Personal Injury* committed by any *Insured*, shall be imputed to any other *Insured* for the purpose of determining the availability of cover.

Conditions

1. Authorisation

The *Insured* agrees to act on behalf of any *Subsidiary Company* in relation to all matters under this Section, and each *Subsidiary Company* agrees that the *Insured* shall act on its behalf.

3. Claims

- (a) The *Insured* shall as a condition precedent to its right to be indemnified under this Section give *Us* notice in writing as soon as practicable of:
- (i) any claim made against any of them;
 - (ii) the receipt of notice from any person or party of any intention to hold the *Insured* responsible for any *Personal Injury* for which this Section provides cover;
 - (iii) any circumstance which the *Insured* shall become aware of which may give rise to a claim under this Section, regardless of whether the claim is considered justified and/or the quantum is likely to be within the Excess stated in the Schedule.
- (b) The *Insured* shall give to *Us* all information and assistance that *We* reasonably require. *We* may assume control and conduct of any claim, and any counterclaim.
- (c) The *Insured* shall not in relation to any claim under this Section:
- (i) make any admission of liability;
 - (ii) incur any expense;
 - (iii) make any payment or settlement of liability;
- without *Our* prior written consent (which shall not be unreasonably withheld).
- (d) If the *Insured* refuses to consent to any settlement recommended by *Us*, and wishes to continue any legal proceedings, *Our* liability under this policy shall not exceed the amount for which the claim could have been settled (less the Excess stated in the Schedule), plus the costs and expenses incurred up to the date of such refusal.
- (e) The *Insured* shall not be required to contest any legal proceedings unless a Queen's Counsel (to be mutually agreed upon by the *Insured* and *Us*) shall advise such proceedings should be contested by the *Insured*.

4. Consolidation or Merger

If the *Insured* acquires by merger, consolidates with, is merged into or acquired by any other entity after the inception of the *Period of Insurance*, the *Insured* shall give *Us* written notice as soon as practicable together with such information as *We* reasonably require. The *Insured* must pay any reasonable extra premium *We* require.

5. Fraud

If any claim under this Section is dishonest or fraudulent in any way, all benefits under this Section shall be forfeited.

6. Other Insurance

If, at the time of the *Event* the *Insured* is covered under any other policy of insurance, the cover under this Section only applies in excess of the cover under that other policy of insurance.

7. Subrogation

- (a) *We* shall have the right of subrogation in respect of all rights which the *Insured* may have against any person or entity who may be responsible to the *Insured* in respect of any claim for any *Personal Injury* covered by this Section, and the *Insured* shall do everything necessary to secure and preserve such rights including executing any necessary documents for the purpose of vesting such rights in *Us*. Any monies recovered shall be applied firstly to *Us* to the extent of the amount paid in respect of that claim (including related costs and expenses), and the remaining monies shall become the property of the *Insured*.
- (b) If no recovery is made as a result of proceedings conducted solely by *Us*, then *We* shall bear the expenses.

We waive all rights of subrogation against any *Officer* and the *Insured*, unless the right of subrogation arises from the dishonest or intentional criminal conduct of the *Officer* or the *Insured*.

8. Territory

This Section only provides cover for *Personal Injuries* suffered in New Zealand and from proceedings brought in New Zealand courts.

Definitions

Words or phrases given special meaning in the Schedule attaching to this Section have the same meaning wherever they appear in the Section. In addition:

1. **“Damages”** means the total amount which the *Insured* or any *Officer* becomes legally liable to pay on account of all claims, investigations, inquiries or legal actions made or commenced against them for any *Personal Injury* to which cover under this Section applies, including but not limited to damages, judgments, settlements, interest, claimant costs and claimant expenses, but not including *Defence Costs*.
2. **“Defence Costs” means:**
 - (a) the reasonable costs and expenses (including defence witness costs and expenses and defence expert costs and expenses) of being represented at any hearing, prosecution, inquiry, investigation, proceeding, settlement negotiation or review, relating to any *Personal Injury*;
 - (b) the reasonable costs of applying to set aside a Court order or conviction, or conducting an appeal of any action or proceeding, relating to any *Personal Injury*;
 - (c) the reasonable costs of applying to a Court to determine whether an employee’s claim for *Personal Injury* is properly covered by the Injury Prevention Rehabilitation and Compensation Act.
3. **“Insured”** means the entity named in the Schedule and any *Subsidiary Company*, and any *Officer* of either of them.
4. **“Officer”** means any person who holds the position of director, officer, trustee, manager or secretary of the *Insured*, trust or other organisation, or who performs the duties of director, officer, manager or secretary under any other name, or who holds any other position as an employee (whether full-time, part-time or temporary) of the *Insured*, trust or other organisation, and includes any such person who has subsequently relinquished that position.
5. **“Period of Insurance”** means the period stated in the Schedule.
6. **“Personal Injury”** means bodily injury, sickness, disease or infection, including resulting death, and disability, shock, fright or mental anguish or injury. A disease shall be sustained when the employee is first exposed to conditions in New Zealand out of which the disease the subject of the claim arose.
7. **“Retroactive Date”** means the date stated in the Schedule.
8. **“Subsidiary Company”** means any company that is or was:
 - (a) controlled by the *Insured* through legal or beneficial ownership of more than 50% of the issued voting stock;
 - (b) deemed a subsidiary of the *Insured* under the Companies Act 1993.
9. **“We/Us/Our”** means NTI New Zealand Limited as authorised agent for IAG New Zealand Limited.

Extensions

The cover under this Section is extended as follows:

1. **Goods and Services Tax**

- (a) Where the *Insured* is liable to pay tax under the Goods and Services Tax Act 1985 on receiving any payment under this Section, *We* will cover the *Insured* for the cost of that tax.
- (b) The amount payable under this extension is payable by *Us* in addition to the stated Limit of Indemnity.

2. **Newly Created or Acquired Subsidiary Company**

If any *Subsidiary Company* is created or acquired by the *Insured* after the inception of this Section that *Subsidiary Company* shall be included as an *Insured* provided that:

- (a) written notice of such creation or acquisition is given to *Us* together with appropriate underwriting information and the payment of any additional premium required at the next renewal date;
- (b) in respect of acquisitions, cover granted under this Section shall only apply to Personal Injuries both discovered by the *Insured* after the date of such acquisition and suffered after the *Retroactive Date*, and that the *Insured* has agreed to cover any such *Subsidiary Company* for.

3. **Subsidiary Company Change of Ownership**

- (a) In the event that an entity ceases to be a *Subsidiary Company* during the *Period of Insurance*, cover under this Section with respect to such *Subsidiary Company* shall continue until the expiry date of the *Period of Insurance*, provided that such cover shall only apply in respect of a *Personal Injury* suffered after the *Retroactive Date* or the date of creation or acquisition by the *Insured* (whichever is the later), and until the date such entity ceased to be a *Subsidiary Company*.
- (b) Where the entity has ceased to be a *Subsidiary Company* because it is acquired 100% by a third party, then this extension shall only apply where the *Insured* has agreed to retain a continuing obligation to indemnify the third party for the former *Subsidiary Company's* liability arising out of any *Personal Injury* that has been suffered whilst it is a *Subsidiary Company*.

Section 3 Statutory Liability

Insuring Clause

We will indemnify the *Insured* and its Officers against *Fines* and related *Defence Costs* arising out of any *Event* on or after the *Retroactive Date* which is connected with the Business of the *Insured*, provided the prosecution, or intention to bring a prosecution, (or a circumstance the *Insured* becomes aware of that is likely to lead to this) is:

- (a) first made against the *Insured* (or known by the *Insured*) during the *Period of Insurance*, and
- (b) first notified to *Us* during the *Period of Insurance* or up to 30 days after its expiry (or if exercised) the Extended Reporting Period,

Limit Of Indemnity And Excess

1. All *Defence Costs* and *Fines* arising out of any one *Event* or inter-related Events are deemed to be one claim. Any claim arising from inter-related Events is deemed to have originated in the earliest *period of insurance* in which notice is given to *Us* in connection with any of the Events.
2. We will deduct the Excess stated in the Schedule from each claim. The Excess does not apply to claims by *Officers*.
3. Subject to the Goods and Services Tax extension of this Section the most We will pay for *Fines* and *Defence Costs* for all claims under this Section shall not exceed the Limit of Indemnity stated in the Schedule.
4. Where the *Fines* and *Defence Costs* exceed the Limit of Indemnity, then cover shall be applied in the following priority:
 - (i) the *Insured*, in respect of its own *Fines* and *Defence Costs*;
 - (ii) *Officers*, in respect of *Fines* and *Defence Costs*;or as stated in the Schedule.

Extended Reporting Period

1. If We terminate this Section or refuse to grant a new Section, the *Insured* and the *Officers* will have the right to an extension of the cover granted under this Section for a further period of 12 months immediately following the effective date of termination or the date of refusal, but only in respect of any *Event* taking place both before that termination or refusal date and after the *Retroactive Date*.
2. The right to this extension must be exercised by written notice to *Us* prior to the effective date of termination or within 30 days following the date of refusal.
3. The premium for this extended reporting period will be not more than 50% of the annual premium applicable to this Section.

Exclusions

1. This Section does not apply to *Fines* and/or *Defence Costs* arising out of:
 - (a) the engagement by the *Insured* of any contractor to dispose of or handle materials, unless the *Insured* has taken reasonable steps to ensure that the materials will be disposed of or handled in a lawful manner;
 - (b) any *Event* which has resulted from any deliberate:
 - (i) breach or contravention of any provisions of the Acts or any Regulations or other subordinate legislation made under the Acts;
 - (ii) failure to comply with any lawful order, demand, notice, requirement or determination made by any statutory authority or enforcement agency under any of the Acts;
 - (c) any conviction entered in any Court other than a New Zealand Court;
 - (d) ionising radiations or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel or the radioactive toxic explosive or other hazardous properties or any explosive nuclear assembly or nuclear component thereof;
 - (e) any *Event* in connection with the Commerce Act 1986 but this exclusion shall only apply to the *Insured*;
 - (f) any application brought by the Commerce Commission under sections 81, 84 or 87 Commerce Act 1986;
 - (g) any inquiry, investigation or prosecution taken against the *Insured* or any *Officer* by a person, other than the statutory authority or enforcement agency given that responsibility under the Act;
 - (h) any inquiry, investigation or prosecution taken against the *Insured* or any *Officer* by the New Zealand Police. However, this exclusion does not apply to the Sale of Liquor Act;
 - (i) any inquiry, investigation or prosecution taken against the *Insured* or any *Officer* by the Inland Revenue Department or any other revenue-collecting statutory authority;

- (j) any contract of service, or any intended contract of service, with any current, former or prospective employee. But nothing in this exclusion shall apply to any investigation, inquiry or prosecution by the Department of Labour pursuant to the Health & Safety in Employment Act;
 - (k) any allegation of breach or contravention of an *Act* made, threatened or in any way intimated against the *Insured* or any *Officer*, and not notified to *Us*, prior to the commencement of the *Period of Insurance*;
 - (l) any circumstance or *Event* of which, at the commencement of the *Period of Insurance*, the *Insured* or any *Officer* is aware or ought reasonably to be aware may result in an allegation of breach or contravention of an *Act* against the *Insured* or any *Officer*;
2. In respect of the exclusions no fact pertaining to, knowledge possessed by, nor any *Event* by the *Insured* or any *Officer* shall be imputed to any other *Officer* for the purpose of determining the availability of cover.

Conditions

1. **Authorisation**

The *Officer* who signs the proposal agrees to act on behalf of all *Officers* and the *Insured* in relation to all matters under this Section.

2. **Claims**

(a) The *Insured* and the *Officers* shall as a condition precedent to their right to be covered under this Section give to *Us* notice in writing as soon as practicable of:

- (i) any allegation of breach or contravention of an *Act* made against any of them;
- (ii) the receipt of notice from any person or party of any intention to prosecute the *Insured* or any *Officer*;
- (iii) any circumstance which the *Insured* or any *Officer* shall become aware of which may give rise to a claim or claims under this Section;

irrespective of whether the prosecution is considered justified and/or the quantum is likely to be within the Excess stated in the Schedule.

(b) The *Insured* and the *Officers* shall give to *Us* all such information and assistance as *We* may reasonably require. *We* may assume control and conduct of any claim, and any counterclaim.

(c) Neither the *Insured* nor the *Officer* shall in relation to any claim under this Section:

- (i) make any admission of liability or guilt; nor
- (ii) incur any expense; without *Our* prior written consent (which will not be unreasonably withheld).

(e) If the *Insured* or any *Officer* refuses to consent to any settlement recommended by *Us*, and wishes to continue any legal proceedings, *Our* liability under this policy shall not exceed the amount for which the claim could have been settled (less the Excess stated in the Schedule), plus the costs and expenses incurred up to the date of such refusal.

(f) Neither the *Insured* nor any *Officer* shall be required to contest any legal proceedings unless a Queen's Counsel (mutually agreed upon by the *Insured* and/or the *Officer* and *Us*) shall advise such proceedings should be contested by the *Insured* or *Officer*.

3. **Consolidation or Merger**

If the *Insured* acquires by merger, consolidates with, is merged into or acquired by any other entity after the inception of the *Period of Insurance*, the *Insured* shall give *Us* written notice as soon as practicable together with such information as *We* reasonably require. The *Insured* must pay any reasonable extra premium *We* require.

4. **Fraud**

- (a) If any claim under this Section is dishonest or fraudulent in any way, all benefits under this Section shall be forfeited.
- (b) For the purpose of this condition, the *Insured* and each *Officer* will be treated as having been issued with a separate policy.

5. **Other Insurance**

If, at the time of the *Event* the *Insured* or any *Officer* is covered under any other policy of insurance, the cover under this Section only applies in excess of the cover under that other policy of insurance.

6. **Severability**

- (a) *We* have relied upon the declarations and statements contained within the proposal. They are the basis of this policy and are incorporated in this Section.
- (b) The proposal is a separate application for cover by each *Insured* and each *Officer*. No statement in the proposal or knowledge possessed by any *Insured* or any *Officer* shall be imputed to any other *Insured* or other *Officer* for the purposes of determining the availability of cover with respect to claims made against any *Insured* or *Officer*.
- (c) The terms of this Section apply to the *Insured* and to each *Officer*, provided that the failure by any *Insured* or any *Officer* to observe and fulfil the terms of this Section will not prejudice this insurance in relation to any other *Insured* or other *Officer*.

7. **Subrogation**

(a) We are entitled to use the name of the *Insured* and any *Officer* in any proceedings to enforce any order made for costs or otherwise and shall have the right of subrogation in respect of all rights which the *Insured* and any *Officer* may have against any person or entity who may be responsible to the *Insured* or any *Officer* in respect of any claim for any *Event* covered by this Section. The *Insured* and any *Officer* shall do everything necessary to assist *Us* in this regard. Any assets recovered pursuant to the exercise of such rights shall be applied firstly for *Our* benefit to the extent of the amount paid by *Us* in respect of that claim (including related costs and expenses), and the remaining assets shall become the property of the *Insured* or *Officer* (as appropriate).

(b) If no recovery is made as a result of proceedings conducted solely by *Us*, then *We* shall bear the expenses.

We waive all rights of subrogation against any *Officer* and the *Insured*, unless the right of subrogation arises from the dishonest or intentional criminal conduct of the *Officer* or the *Insured*.

8. **Territory**

This Section only provides cover for *Fines* and *Defence Costs* arising out of *Events* which take place in New Zealand.

Definitions

Words or phrases given special meaning in the Schedule attaching to this Section have the same meaning wherever they appear in the Section. In addition:

1. **“Act”** means, as the context requires, any Act of the New Zealand Parliament or any amendment to or re-enactment of any of those Acts, and any Regulations or other subordinate legislation made under those Acts.
2. **“Defence Costs”** means:
 - (a) the reasonable costs and expenses (including witness and expert costs and expenses) of being represented at any investigation, inquiry, prosecution, proceeding, hearing, settlement negotiation, review or appeal, arising out of an *Event*;
 - (b) the reasonable costs of applying to set aside a Court order or conviction arising out of an *Event*.
3. **“Insured”** means the entity named in the Schedule and any *Subsidiary Company*.
4. **“Event”** means any event, act, omission or circumstance, neither expected nor intended by the *Insured*, which may result in an allegation of breach or contravention of the *Act* or which results in an investigation, inquiry, prosecution, proceeding, hearing, settlement negotiation, review or appeal in respect of such allegation.
5. **“Officer”** means any person who, at the time of an offence or alleged offence under the *Act*, holds the position of director, officer, trustee, manager or secretary of the *Insured*, or who performs the duties of director, officer, manager or secretary under any other name, or who holds any other position as an employee (whether full-time, part-time or temporary) of the *Insured*, and includes any such person who has subsequently relinquished that position. “Officers” shall have the same meaning.
6. **“Fines”** means any fine or other cash penalty (including court costs) payable by the *Insured* upon conviction of an offence under the *Act* in connection with an *Event*, including prosecution witness costs and expenses and prosecution solicitors’ costs.

Provided that *Fines* shall not include:

- (a) the cost or payment of any enforcement order, remedial order or compliance order.
 - (b) any tax (including any fine or penalty resulting from the failure to pay any tax), rate, duty, or interest on such tax, rate, or duty, except as provided in Extension 1.
 - (c) any damage, restitution, compensation or reparation imposed by a tribunal or court except a sentence of reparation for an offence under the Health and Safety In Employment Act 1992;
 - (d) the value of any property subject to confiscation or forfeiture;
 - (e) any fine or infringement fee for an offence under the Health and Safety In Employment Act 1992 arising from an *Event* on or after 5 May 2003;
 - (f) any other monetary payment, penalty or fine for which *We* may not lawfully indemnify the *Insured*.
7. **“Period of Insurance”** means the period stated in the Schedule.
 8. **“Retroactive Date”** means the date stated in the Schedule.
 9. **“Subsidiary Company”** means any company that is or was:
 - (a) controlled by the *Insured* through legal or beneficial ownership of more than 50% of the issued voting stock; or
 - (b) deemed a subsidiary of the *Insured* under the Companies Act 1993.
 10. **“We/Us/Our”** means NTI New Zealand Limited as authorised agent for IAG New Zealand Limited.

Extensions

The cover under this Section is extended as follows:

EXTENSION 1 - Goods and Services Tax

- (a) Where the *Insured* or any *Officer* is liable to pay tax under the Goods and Services Tax Act 1985 on receiving any payment under this Section, *We* will cover the *Insured* or the *Officer* for the cost of that tax.
- (b) The amount payable under this extension is payable by *Us* in addition to the stated Limit of Indemnity.

EXTENSION 2 - Newly Created or Acquired Subsidiary Company

If any *Subsidiary Company* is created or acquired by the *Insured* after the inception of this Section such *Subsidiary Company* shall be included as an *Insured* provided that:

- (a) written notice of such creation or acquisition is given to *Us* together with appropriate underwriting information and the payment of any additional premium required at the next renewal date;
- (b) in respect of acquisitions, cover granted under this Section shall only apply to any *Event* both discovered by the *Insured* after the date of such acquisition and which took place after the *Retroactive Date*, and that the *Insured* has agreed to indemnify any such *Subsidiary Company* for.

EXTENSION 3 - Subsidiary Company Change of Ownership

- (a) In the event that an entity ceases to be a *Subsidiary Company* during the *Period of Insurance*, cover under this Section with respect to such *Subsidiary Company* shall continue until the expiry date of the *Period of Insurance*, provided that such cover shall only apply in respect of an *Event* committed after the *Retroactive Date* or the date of creation or acquisition by the *Insured* (whichever is the later) and until the date such entity ceased to be a *Subsidiary Company*.
- (b) Where the entity has ceased to be a *Subsidiary Company* because it is acquired 100% by a third party, then this extension shall only apply where the *Insured* has agreed to retain a continuing obligation to indemnify the third party against the former *Subsidiary's* liability arising out of any *Event* that has taken place whilst it is a *Subsidiary Company*

Section 4 Employee's Criminal Defence Costs Cover

Insuring Clauses

1. We will indemnify the *Insured* for the reasonable legal cost of defending a prosecution against the *Insured* in New Zealand (and any reasonably justified appeals) for an alleged offence under a statute, arising in the course of the *Insured's* employment, where:
 - 1.1 the event that led to the prosecution took place in New Zealand, and
 - 1.2 the prosecution was first threatened or commenced against the *Insured* during the *Period of Insurance*, and
 - 1.3 the *Insured* first notified *Us* of the claim during the *Period of Insurance* or up to 28 days later, provided:
 - (a) the *Insured* has not been charged with a similar offence in the 7 years before cover commenced under this Section, and
 - (b) the *Insured* intends to plead not guilty based on a reasonable assessment of the evidence and the law, and
 - (c) the *Insured* does not have cover under any other policy and is not entitled to indemnity from any other source, and
 - (d) where the prosecution is brought under the Transport Act 1962 or the Land Transport Act 1998:
 - (i) the *Insured* is not charged with one of the following types of offences: alcohol/drugs related, exceeding maximum driving hours, overloading, road user charges, or speeding, and
 - (ii) the *Insured* must be liable to be disqualified from driving, and
 - (iii) if the *Insured* is under 24 years old at the date of the alleged offence, the *Insured* must be at risk of being imprisoned for more than 3 months.
 - (e) We have given *Our* prior written consent to the legal costs (which will not be unreasonably withheld).
2. We will also indemnify the *Insured* against any other prosecution, at *Our* absolute discretion.
3. The most We will pay the *Insured* for all prosecutions threatened or commenced against the *Insured* during the *Period of Insurance* is the limit of indemnity stated in the Schedule.

Exclusions

We do not cover:

1. Any prosecution arising from an event that had already happened or is continuing to happen before this cover commenced.
2. Any prosecution arising from any:
 - (a) Breach of professional duty, or duty as a director, trustee, or attorney under a power of attorney,
 - (b) Agreement by the *Insured* to be liable where the *Insured* would not otherwise be liable,
 - (c) Dispute in connection with a will or testamentary disposition, testamentary promise or Family Protection Act claim.
 - (d) Employment dispute.
3. Any prosecution:
 - (a) Between the *Insured* and the *Insured's* spouse, ex-spouse, domestic partner or ex-domestic partner,
 - (b) In which a spouse, ex-spouse, domestic partner or ex-domestic partner, or any relative of them or of the *Insured*, is a complainant or victim.
 - (c) In relation to dissolution of marriage, maintenance, custody, access or property disputes.
 - (d) In which more than one person within the definition of the *Insured*:
 - (i) Is involved; and
 - (ii) Have conflicting positions and interests.
 - (e) By or on behalf of any state agency involving any state-funded grant, income, revenue collecting, income-support, aid, subsidy, surcharge or assistance, including liable parent contributions
4. Any prosecution that the *Insured* have intentionally encouraged.
5. *Fines*, penalties, damages of any type or any other form of compensation payment, and interest.
6. Any offence alleged to have been committed:
 - (a) Whilst in breach of any order made under the Domestic Violence Act 1995 or its amendments;
 - (b) Under Fisheries legislation.

Conditions

1. The *Insured* must take all reasonable care to avoid any circumstances that might give rise to a claim under this Section. There is no cover if the *Insured* has acted recklessly.
2. The *Insured* must give *Us* immediate notice in writing of any:
 - (a) Circumstance that might give rise to a claim under this Section, as soon as the *Insured* becomes aware of it.
 - (b) Notice of any prosecution or any indication that someone intends or may intend to bring a prosecution against the *Insured*.
 - (c) Once notice is given, any subsequent prosecution is deemed to have been brought during the *Period of Insurance*.
3. The *Insured* must not appoint a lawyer without first obtaining *Our* written consent. *We* have the absolute discretion to choose a competent lawyer to act for the *Insured*.
4. The *Insured* must:
 - (a) Give *Us* all information and documents *We* require, and
 - (b) Keep *Us* informed of all significant developments, and
 - (c) Advise *Us* immediately of any offers of compromise or plea bargains.
5. If *We* accept the claim, *We* will meet the *Insured's* reasonable legal costs as and when they are incurred.
6. *We* can stop meeting the *Insured's* reasonable legal costs if:
 - (a) The *Insured* unreasonably refuses to follow the *Insured's* lawyer's advice about how the defence of the prosecution should be conducted, including advice about making or accepting any offer of compromise or plea bargain, or
 - (b) The *Insured* fails to give *Us* or the *Insured's* lawyer full assistance, or
 - (c) A barrister of at least 15 years' experience advises *Us* that the *Insured's* defence to the prosecution has no reasonable prospect of being successful, or is uneconomic to defend and the *Insured* declines to accept *Our* instructions on how to resolve the prosecution.
7. *We* will not be liable for reasonable legal costs in relation to any appeal unless *We*:
 - (a) Receive written notice of the *Insured's* intention to appeal at least 5 clear days before any time limit for bringing the appeal expires; and
 - (b) Give *Our* prior written consent to the appeal (which will not be unreasonably withheld).
8. If *We* request it in writing, the *Insured* must direct the *Insured's* lawyer to have any account referred to any appropriate body to be taxed, assessed or audited.
9. The *Insured* must:
 - (a) Refund any amounts that the *Insured* recovers in relation to the covered legal costs, and
 - (b) Co-operate with *Us* in any steps *We* take to recover these amounts.
10. If the *Insured* makes a claim that is in any way dishonest or fraudulent, the *Insured* loses all cover under this Section.
11. Unless *We* agree otherwise, there is no cover under this Section if the *Insured*:
 - (a) Commits any act of bankruptcy; or
 - (b) Is made bankrupt; or
 - (c) Makes any arrangement with creditors, including a composition or assignment.
12. If the *Insured* is charged with one or more offences arising out of the same general circumstances and is convicted of at least one of those offences, *We* are entitled to a refund from the *Insured* of all legal costs already paid under this Section.
13. The *Insured* appoints the person who signed the proposal for this Section as the *Insured's* agent for the purpose of receiving any Schedule, paying the premium, and receiving or giving notices under this Section.

Definitions

1. **“Insured”** means the directors, executives, managers or employees of the entity named in the Schedule whilst acting in that capacity.
2. **“Period of Insurance”** means the period stated in the Schedule.
3. **“We/Us/Our”** means NTI New Zealand Limited as authorised agent for IAG New Zealand Limited.

General Exclusions Applicable To All Sections

This Policy shall not apply to any claim arising out of:

- (a) death, injury, illness, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
 - (i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, insurrection, riot, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property under the order of any government or public or local authority; or
 - (ii) any act of terrorism. Definition: *“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.

This exclusion also excludes death, injury, illness, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (i) and/or (ii) above;

- (b) any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, asbestos in whatever form or quantity.
- (c) any liability for, or to fulfil any obligation in respect of *Personal Injury or Property Damage, Defence Costs or Fines*, claim, cost or expense which is directly or indirectly caused or contributed to or arises from:
 - (i) moisture or water or the penetration of external moisture or water; or
 - (ii) the action or effects of mould, fungi, mildew, rot, decay, micro-organisms, bacteria, protozoa or any similar or like forms; or
 - (iii) the failure of any building or structure to comply with or perform to the requirements of any building code or to meet the level of performance, quality, fitness or durability of its intended purpose.

In addition, *We* shall not be liable for any costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating or disposal of, or in any way responding to or assessing the effects of mould, fungi, mildew, rot, decay, micro-organisms, bacteria, protozoa or similar or like forms.

With respect to Section 1 – Public & Products Liability this exclusion shall not exclude any indemnity for *Personal Injury or Property Damage* that is caused by or arises out of leakage of internal water pipes or cisterns.

General Conditions Applicable To All Sections

1. **Condition Precedent**

It is a condition precedent to payment of a claim under any Section of this policy that the person entitled to claim has complied with all the terms of it.

2. **Waiver of Privilege**

If *We* instruct any lawyer to investigate or defend any claim against the *Insured* or an *Officer*, the *Insured* and the *Officer* authorise the lawyer to provide to *Us* any documents, information or advice in respect of the claim, including in relation to indemnity, and the *Insured* and the *Officer* waive any privilege to the extent necessary to give full effect to this.

3. **Cancellation**

This policy may be cancelled by the *Insured* by sending to *Us* written notice stating the date on which the cancellation shall be effective. This policy may be cancelled by *Us*, by sending to the *Insured* at the address shown in this policy written notice stating the date on which, being not less than **30** days, the cancellation shall be effective.

If the *Insured* cancels, earned premium shall be computed in accordance with the customary short rate table. If *We* cancel, earned premium shall be computed pro rata.

Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective.

4. **Policy Jurisdiction**

This Policy shall be governed by the law of New Zealand, and New Zealand courts shall have exclusive jurisdiction.

5. **Assignment**

No assignment of interest under any Section of this policy shall bind *Us* unless *We* agree in writing.

NTI is managed by NTI New Zealand Limited as agent for
IAG New Zealand Limited as insurer.

NTI New Zealand Limited (NTI) as authorised agent for
IAG New Zealand Limited, has relationships with brokers
and other insurance intermediaries who issue our policies.
IAG New Zealand Limited pays remuneration to brokers
and insurance intermediaries when they issue NTI policies,
and when these policies are renewed or varied.

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