

**THE MUTUAL LIABILITY INSURANCE SCHEME
TRADING AS CIVIC MUTUAL PLUS**

**PUBLIC AND PRODUCTS LIABILITY INSURANCE FOR
NOT FOR PROFIT ORGANISATIONS**

IMPORTANT NOTICE

The Insurance is provided through the Municipal Association of Victoria's (MAV's) Mutual Liability Scheme (Civic Mutual Plus) which was established in 1993 and insures Victorian and Tasmanian local government for Public and Products Liability.

Participation of Not for Profit Organisations in the Scheme is absolutely conditional upon them having their official addresses and operations carried on at and from situations within the local government areas/municipal boundaries of Municipal Councils which are Members of the Scheme. Presently 78 of the 79 Victorian Municipal Councils and all 29 Tasmanian Municipal Councils are members of the Scheme.

It is therefore material to our acceptance of your organisation into the Scheme that you confirm the name of the Municipal Council exercising local government authority over the area where your organisation has its official address and from which it conducts its activities.

This Insurance Wording and Certificate of Insurance form part of a Master Policy.

The terms of this coverage vary from the Master Policy in that it does not cover Professional Indemnity and includes Exclusions or Conditions, which do not apply to the Master Policy.

Your Not for Profit Organisation becomes an Additional Named Insured under your Municipal Council's Policy (the Master Policy). If more than one Insured is covered for the same occurrence by this Insurance, the total aggregate liability of the Insurers for all claims arising directly or indirectly from one source or original cause shall not exceed the total of \$100 million. The limit will be shared in the same proportion as each of the respective insured's limit of indemnity relates to the combined total of all limits that would otherwise have been available to each insured.

Before obtaining a quotation for this insurance you must read and, familiarise yourself with the important information on the website (www.communityinsurance.com.au) regarding your Duty of Disclosure and payment of premium conditions. Obtaining a quotation, and ultimately effecting this Insurance is also confirmation of your acceptance of our Disclaimer, Terms and Conditions and Privacy Policy referred to on the website.

The Insurance cover provided under the Master Policy is only activated once the required premiums has been banked and credited to the Bank Account.

Once you have forwarded your payment with the Remittance Advice please make sure that you keep a copy of your Tax Invoice and take particular note of the Quote Code Number referred to in the Remittance Advice Section of the Tax Invoice.

The Quote Code Number will allow you to check when your application has been accepted by simply visiting the Website and then entering your Quote Code Number.

Dispute Resolution Process

Disputes are not an every day occurrence but can occur from time to time.

Should this happen, our objective is to resolve any disagreements as amicably and as quickly as possible. .

Regardless of what the dispute involves, if you are not satisfied with the outcome ask to be referred to our Dispute Resolution Representative C/- The Scheme Manager of CMP, Jardine Lloyd Thompson Pty Ltd, 1/468 St Kilda Road, Melbourne Vic 3004.

We have established a dispute resolution process through which a senior officer will review the matter for you and respond within 15 working days.

PLEASE READ THIS POLICY THOROUGHLY. THERE MAY BE EXCLUSIONS THAT PARTICULARLY APPLY TO YOUR ORGANISATION.

DEFINITIONS

In this Policy the following definitions shall apply:

"THE INSURED" means

- 1 The Additional Named Insured named in the Certificate of Insurance.
- 2 All former and/or present Presidents, Chairmen, Board Members, Executives, Officers, Employees, Members and Voluntary Workers of The Additional Named Insured, whilst acting in that capacity and within the scope of their duties for and on behalf of the Additional Named Insured.
- 3 Any principal of The Additional Named Insured in respect of claims for which The Additional Named Insured would be:-
 - (i) legally liable and
 - (ii) entitled to indemnity under this Policyif the claim were made upon The Additional Named Insured. Provided that this indemnity does not extend to any negligent acts, errors or omissions of The Principal itself.

"PERSONAL INJURY" means

1. bodily injury, death, sickness, disease, disability, shock, fright, mental anguish and mental injury.
2. false arrest, false imprisonment, wrongful conviction, wrongful detention, malicious prosecution, wrongful entry upon or eviction from or other invasion of the right of private occupancy of property.
3. assault and battery not committed by or at the direction of The Insured unless committed for the purpose of preventing or eliminating danger to persons or property.

"DAMAGE TO PROPERTY" means

1. physical injury to or destruction of tangible property (which shall include loss of property) and the loss of use thereof at any time resulting therefrom, or
2. loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by physical injury to or destruction of other tangible property.
3. interference with any right of way, light, air or water.

"BUSINESS" means

the Activity of The Additional Named Insured as noted in the Certificate of Insurance, and, Property Owners (if applicable) and all incidental and associated functions of the Additional Named Insured.

"INSURED PRODUCTS" means

goods and products of The Additional Named Insured, manufactured, constructed, erected, installed, altered, repaired, serviced, treated, sold, supplied or distributed by The Insured (including any container thereof other than a vehicle).

"PRODUCTS LIABILITY" means

Personal Injury or Damage to Property arising out of The Insured Products or reliance upon a representation or warranty made at any time with respect thereto.

"OCCURRENCE" means

an event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Damage to Property neither expected nor intended from the standpoint of The Insured.

"VEHICLE" means

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

"WATERCRAFT" means

any vessel, craft or thing exceeding 3 metres in length made or intended to float on or in or travel on or through water.

"AIRCRAFT" means

any vessel or craft made to float on or in or travel through air or space.

"CLAIM" means

- (a) any written or verbal demand communicated to The Insured under any circumstances.
- (b) any writ, summons, application, third party proceeding or other originating legal or similar process, cross Claim or counterclaim issued against The Insured;
- (c) any originating arbitration process in relation to which the remedies available are consistent with the remedies available at law; and

"TOOL OF TRADE" means

a mechanical implement, machine or device used in the pursuit of an occupation, Business or trade but not including any vehicle whilst being used as a means of conveyance or transportation.

"ACTS OF TERRORISM" means

an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

INSURING CLAUSE

The Additional Named Insured noted in the Application and the Certificate of Insurance which together form part of this Policy, having paid the premium for the Insurance Year stated in the Certificate of Insurance, the Insurers agree to indemnify The Insured in accordance with and subject to the terms, exclusions, limitations, and conditions contained in or endorsed on or otherwise expressed in this Policy.

LIABILITY COMPENSATION

- 1) The Insurers will pay to or on behalf of The Insured all sums for which The Insured shall become legally liable to pay by way of compensation in respect of:-
 - (i) Personal Injury (as defined herein)
 - (ii) Damage to Property (as defined herein)

happening during the Insurance Year caused by an Occurrence in connection with the Business of The Additional Named Insured, or arising out of the Insured Products (Products Liability).

LAW COSTS AND EXPENSES

- 2) The Insurers will in respect of any Claim indemnifiable under this Policy brought in respect of Personal Injury or Damage to Property caused by an Occurrence:-
 - (a) at its discretion be entitled to defend such Claim brought against The Insured seeking damages on account thereof, even if such Claim is groundless, false or fraudulent; and the Insurers may make such investigation, negotiation or settlement of same as it deems expedient;
 - (b) in respect of such Claim brought against The Insured, pay all expenses incurred by the Insurers, all claimants costs taxed against The Insured or accepted by the Insurers and all interest accruing after any judgement enforceable against The Insured;
 - (c) pay all reasonable expenses, other than The Insured's loss of earnings, incurred by The Insured with the written consent of the Insurers.
 - (d) pay expenses incurred by The Insured for first aid to others at the time of any Occurrence causing Personal Injury in respect of which The Insured is liable to pay compensation indemnifiable under this policy.

Further, the Insurers may at their discretion agree to pay expenses incurred by The Insured for representation at any Coroner's Inquest or other Fatal Accident Inquiry arising from an Occurrence causing Personal Injury that may be the subject of indemnity under this Policy.

LIMIT OF INDEMNITY

The liability of the Insurer for all Liability Compensation, Law Costs and Expenses payable in respect of Personal Injury or Damage to Property shall not exceed the Limit of Indemnity specified in the Certificate of Insurance, for any one occurrence, and in the aggregate in any one Insurance Year for claims in respect of Products Liability.

If more than one Insured is covered for the same occurrence by The Master Policy the total aggregate liability of the Insurers for all claims arising directly or indirectly from one source or original cause shall not exceed the total of \$100,000,000. The limit will be shared in the same proportion as each of the respective Insureds Limit of Indemnity bears to the combined total of all Limits of Indemnity that would otherwise have been available to each Insured.

DEDUCTIBLE (Costs Inclusive)

However, each and every Claim or series of Claims arising directly or indirectly from one source or original cause is subject to the \$1,000 Deductible specifically stated in the Certificate of Insurance.

Provided that all expenses incurred by the Insurer pursuant to the engagement of professional advisors considered necessary to adequately determine the liability of The Insured and to resolve the claim to the satisfaction of the Insurer shall be borne by The Insured, subject to the total amount to be borne by The Insured in respect of any one Claim being limited to and inclusive of the applicable deductible.

EXCLUSIONS

The Insurers shall not be liable for:

EMPLOYER'S LIABILITY

1. Claims:
 - a) in respect of Personal Injury to any person arising out of or in the course of employment of such person by The Insured where such injury is covered by any workers' or workmen's compensation legislation or accident compensation legislation;
 - b) for payment under any workers' or workmen's' compensation legislation or any accident compensation legislation by any person in the service of any contractor or sub-contractor to The Insured or by any dependent of such person; or
 - c) in respect of Personal Injury to any person in the service of The Insured and which Claim arises from a liability imposed by an industrial award or agreement or determination.

PROPERTY IN PHYSICAL OR LEGAL CONTROL

2. Claims in respect of Damage to Property owned by or leased or rented to The Insured or property in the physical or legal control of The Insured other than;
 - a) Premises leased or rented to The Additional Named Insured, in respect to damage caused by;
 - (i) Fire or explosion
 - (ii) Water discharged or leaking from any pipe or water system
 - (iii) Impact by any vehicle.
 - b) or other property not owned by The Additional Named Insured, but in the temporary physical and legal control of The Additional Named Insured, but coverage under this proviso is limited to a Limit of Indemnity of \$50,000 any one occurrence and in the aggregate any one Insurance Year.

ASBESTOS

3. Claims howsoever arising which is directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibres or asbestos dust, including without limitation all liability to pay claimants' or The Insured's legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defence and/or settlement of any claim against The Insured or in respect of any other inquest, inquiry or proceeding in which The Insured may be involved in relation to any of the foregoing.

PRODUCT DEFECT

4. Claims in respect of Damage to Property to The Insured Products if such damage is attributable to any defect therein or the harmful nature or unsuitability thereof.

PRODUCT RECALL

5. Claims arising out of or resulting from the withdrawal, inspection, repair, replacement or loss of use of The Insured Products or of any property of which such products form a part, if such products, or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.

FAULTY WORKMANSHIP

6. Claims in respect of the cost of performing, completing, correcting or improving any work undertaken by The Insured.

LOSS OF USE

7. Claims in respect of loss of use of tangible property which has not been physically injured or destroyed resulting from:
 - a) a delay in or lack of performance by or on behalf of The Insured of any contract or agreement
 - b) the failure of The Insured Products to meet the level of performance, quality, fitness or durability expressly warranted, or represented by The Insured or warranted by implication of law but this exclusion does not apply to the loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of The Insured Products after such products have been put to use by any person or organisation other than The Insured.

AIRCRAFT & WATERCRAFT

8. Claims arising out of the ownership, maintenance or use by The Insured of any aircraft or watercraft.

VEHICLES

9. Claims in respect of Personal Injury or Damage to Property caused by or arising out of the use of any vehicle or any attachment to any such vehicle owned by or in the physical or legal control of The Insured or used in work undertaken by or on behalf of The Insured:
 - a) which is registered, or
 - b) in respect of which, insurance is required by virtue of any legislation relating to motor vehicles,

including whilst actually being used as a Tool of Trade on any site where The Insured is undertaking work/activities, or
 - c) which is otherwise insured in respect of the same liability, except in respect of any excess over and above such other insurance,

RADIOACTIVITY

10. Claims directly or indirectly caused by or contributed to or arising from:
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission
 - b) nuclear weapons material.
 - c) the radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof.

WAR

11. Claims of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following or directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellions, revolution, insurrection, or civil commotion assuming the proportions or amounting to an uprising, military or usurped power.

POLLUTION

12. Claims arising directly or indirectly out of any activity or inactivity of The Insured or person or legal entity for whose action or inaction The Insured may be legally liable which activity is or results in the discharge, dispersal, release or escape of

- a) smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals or gases
- b) any products, by-products or waste materials of any description whatsoever
- c) any substance or energy capable of causing irritation, contamination, pollution, or Personal Injury or Damage to Property into or on to land or any vegetation or building thereon, any water course or body of water, or into the atmosphere or ether.

Provided that if such discharge, dispersal, release or escape was fortuitous, sudden and accidental and not permitted to continue or recur immediately upon discovery, and provided that The Insured satisfies the Insurer, or a court of jurisdiction, that it took all reasonable measures for the prevention of such discharge, dispersal, release or escape and attempted to comply with all relevant statutory obligations, by-laws and regulations imposed by any public authority for the safety of persons or property, this exclusion shall not apply.

COMMITTEES OF MANAGEMENT AND TRUSTEES

13. Claims arising out of any acts or omissions of any:

- (a) Committee of Management;
- (b) Trustee;
- (c) delegate (including, but not limited to any sub committee) or any Committee of Management or Trustee; or
- (d) person, acting or purporting to act for or on behalf of any Committee of Management or Trustee

appointed under, or acting pursuant to, whether validly or not, the *Land Act 1958*, the *Crown Land (Reserves) Act 1978*, the *Water Act of 1989*, the *Forests Act of 1958* and/or the *Cemeteries Act 1958* and/or any other Act.

PROFESSIONAL INDEMNITY

14. (i) Claims for breach of Professional Duty arising out of any negligent act, error or omission committed or alleged to have been committed by The Insured or others for whom the Insured is responsible, or
- (ii) Claims for the rendering or failure to render medical treatment by The Insured or others for whom The Insured is responsible, whether such treatment is deemed conventional or not conventional; but this exclusion shall not apply to normal first aid administered at the premises by those persons.
- (iii) Claims arising out of other Professional Services and/or Advice and/or Counselling of any kind or any error or omission connected therewith.

BUILDING WORK

15. Claims arising directly or indirectly out of or in any way connected with the erection, demolition, alteration or addition to building(s) by or on behalf of The Insured which require a permit. This exclusion shall not apply if a permit is not required and the total contract value of all work is does not exceed \$50,000.

TREE ROOT DAMAGE

16. Claims in respect of Damage to Property arising directly or indirectly out of or caused by tree roots.

DISHONEST AND FRAUDULENT ACTIVITIES

17. Claims arising out of any intentional deliberate dishonest fraudulent criminal wilful or malicious act error or omission by The Insured.

FINES AND PENALTIES

18. Fines, penalties, exemplary or punitive damages awarded by a Court or in respect of such component in any settlement of a Claim.

CONTRACTUAL LIABILITY

19. Claims arising out of any contract, warranty or agreement except to the extent that such liability would have attached to The Insured notwithstanding the contract, warranty or agreement.

MILLENNIUM BUG

20. Any claim of whatsoever nature which consists of or arises directly or indirectly out of or in connection with the failure or inability of any

- (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, BIOS or other instruction set, hardware, software, firmware, programme, computer data processing equipment, telecommunication equipment or systems, or any similar device, or any
- (b) media or systems used in connection with any of the foregoing

whether the property of the insured or not, at any time to achieve fully and successfully any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote, represent or express a date including, but without being limited to any failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data information, command, logic or instruction as a result of or in connection with

- (i) anything referred to in (a) or (b) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time, or
- (ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) or (b) above.

GEOGRAPHIC LIMITS AND LEGAL JURISDICTION

21. (i) Personal Injury or Damage to Property occurring in any country outside of Australia and;
- (ii) Personal Injury or Damage to Property where the action or Claim instituted is brought against the Insured in any country outside Australia.

ELECTRICAL AND MECHANICAL GOODS

22. Claims arising directly or indirectly from or in any way connected with the demonstration, sale, supply, repair, alteration, service, manufacture, treatment or distribution of Electrical or Mechanical goods which have not been recently certified as meeting the current Australian Safety Standards which applies to such goods.

ACT OF TERRORISM

23. Claims for loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with an act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This Policy also excludes loss, injury, 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 any act of terrorism.

If the Association alleges that by reason of this Exclusion, any loss, injury, damage, cost or expense is not covered by this Insurance, the burden of proving the contrary shall be upon The Insured.

In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

TOXIC MOULD, MILDEW OR OTHER FUNGI CLAUSE

24. (a) Claim directly or indirectly arising out of, relating to, or in connection with exposure to or the manifestation, release, dispersal, seepage, migration, discharge, appearance, presence, reproduction or growth of mould, mildew, spores, mycotoxins, fungi, organic pathogens or other micro organisms of any type, nature or description. Such claim or claims are excluded regardless of whether they arise in connection with;
1. personal injury;
 2. property damage;
 3. advertising injury; or
 4. any injury caused by a medical incident.
- (b) There shall be no obligation to defend The Insured against any claim or claims excluded by this Exclusion regardless of whether the allegations forming the basis of the claim or claims are groundless, false or fraudulent.
- (c) This Policy expressly excludes;
1. any cost, expense or charge to test, monitor, clean up, remediate, remove, contain, treat, detoxify, neutralise, rehabilitate, or in any way respond to or assess the affects of mould, mildew, spores, mycotoxins, fungi, organic pathogens or other micro organisms of any type, nature or description; and
 2. any cost, expense, charge, fine or penalty, incurred, sustained, or imposed by order, direction, request or agreement of any court, governmental agency, or any civil, public or military authority.
- (d) This Exclusion shall not apply to any claim or claims directly or indirectly arising out of, relating to, or in connection with The Insured's use of mould, mildew, spores, mycotoxins, fungi, organic pathogens or other micro organisms of any type, nature or description in connection with the rendering of professional health care services.
- (e) The following definition is to be applied to this Exclusion;
1. the term "organic pathogens" means any organic irritant or contaminant, including but not limited to mould, fungus, bacteria, virus, or their by-products such as mycotoxins, mildew, or biogenic aerosol. "organic pathogens" include but not limited to aspergillus, penicillium, stachybotrys, chartarum stachybotrys atra, trichodema and fusarium memnoniella

BURNING OFF ON TOTAL FIRE BAN DAYS

25. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of burning off or back burning on days declared as total fire ban days or if the burn off is conducted without being sanctioned by the local fire brigade.

MOLESTATION

26. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of sexual and or child assault, abuse or Molestation committed or alleged to have been committed by The Insured or anyone for whom The Insured is responsible.

DIAL BEFORE YOU DIG

27. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of digging operations unless The Insured has made the appropriate inquiry to determine the location of underground services or infrastructure with local and State Government Authorities and relevant Water, Gas, Electricity and Telecommunication Utilities prior to commencing digging operations.

APPLICATION OF CHEMICALS

28. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of any chemical(s) intentionally sprayed, applied or released by or on behalf of the Insured where the chemical(s) are actually sprayed, applied, released or carry beyond the area intended to be affected.

DESIGN ERROR

29. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of improper, inadequate, faulty or defective design, formula or specification of any Insured Products.

LABOUR HIRE SERVICES

30. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of Labour Hire Services, including State or Federal Work For the Dole Schemes, and the like.

ADVENTURE ACTIVITIES

31. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of Adventure Activities such as, but not limited to;

- Outdoor Survival programs
- Abseiling
- Rock Climbing and Tree Climbing
- Kayaking
- Hang Gliding
- Bunge Jumping

and the like, or variations thereof,

whether conducted by or organised by The Insured or others for whom The Insured is responsible or by any other party.

SPORTING ACTIVITIES

32. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of competitive sporting activities (including practise, trials, training) nor the liability of or to coaches, trainers, umpires, officials or participants. This exclusion will not apply to any liability arising from social sporting activities other than in respect of personal injury to participants including coaches, trainers, umpires, and officials, where applicable. Examples are but not limited to;

- All team water sports including water polo
- Water sports including swimming and diving
- Gymnastics
- Aerial Sports
- Athletics
- Contact Sports
- and the like, or variations thereof,

whether conducted by or organised by the Insured or others for whom the Insured is responsible or by any other party.

OTHER HAZARDOUS ACTIVITIES NOT COVERED

33. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of;

- Rodeos
- Gymkhanas
- Horse Riding (including recreational)
- Amusement and/or Mechanical rides
- Motorised and/or Animal Racing requiring a driver or rider
- Fireworks and/or Pyrotechnics
- Breakdancing and/or Crowd Surfing
- Skateboarding, Roller Blading, BMX bike riding or trials
- Motor Car and Motorcycle Rallies
- Political Rallies, Demonstrations or Protests of any kind
- and the like, or variations thereof,

whether conducted by or organised by The Insured or others for whom The Insured is responsible or by any other party.

FAIRS, FESTIVALS AND THE LIKE

34. Claims arising directly or indirectly from or in any way connected with or attributable to or as a consequence of;

- Festivals
- Fairs
- Carols by candlelight
- Street parties
- Street parades
- and the like or variations thereof,

whether conducted by or organised by The Insured or others for whom the Insured is responsible or any other party, unless specified as the Activity in the Certificate of Insurance/Tax Invoice.

CONDITIONS

PAYMENT OF PREMIUM

1. Indemnity provided under this Policy attaches from the date of the payment of the premium into the Bank Account.

JOINT INSUREDS

2. Where more than one party comprises The Insured each of the parties shall be considered as a separate and distinct person and the words "The Insured" shall be considered as applying to each person in the same manner as if a separate Policy has been issued to each of the said persons, providing that nothing in this clause shall result in an increase of the Insurers Limit of Indemnity in respect of any occurrence, or Claim.

NOTICES

3. Notices in writing shall be given as soon as possible to the Insurers:
 - a) of any occurrence/circumstance, Claim, writ, summons or proceedings or of any impending prosecution or inquest, or knowledge of any occurrence/circumstance which may subsequently give rise to a Claim under this Policy, irrespective of the quantum of such Claim or
 - b) of any change materially varying any of the facts or circumstances existing at the commencement of this Policy that shall come to the knowledge of The Insured.

Such notice shall be given by The Insured whose knowledge shall be deemed to include the knowledge of any person whose knowledge would in law be that of The Insured.

SETTLEMENT OF CLAIM

4.
 - a) The Insured shall not, without the consent in writing of the Insurers, make any admission, offer, promise or payment in connection with any Occurrence or Claim, and if the Insurers so desires, they shall be entitled to take over and conduct in the name of The Insured the defence or settlement of any Claim.
 - b) The Insured shall promptly take at its own expense all reasonable steps to prevent other Personal Injury or Damage to Property from arising out of the same or similar conditions, but such expense shall not be recoverable under this Policy.
 - c) The Insured shall use its best endeavours to preserve any damaged or defective property which might prove necessary or useful by way of evidence in connection with any Claim and except as required in (b) above, so far as may be reasonably practicable, no alteration or repair shall be made to any premises, machinery, fittings, appliances or plant without the consent of the Insurers until the Insurers have had an opportunity of inspection.
 - d) The Insurers shall be entitled to prosecute in the name of The Insured, at its own expense and for its own benefit, any Claim for indemnity or damages or otherwise.
 - e) The Insurers shall have full discretion in the conduct of any proceedings in connection with any Claim and The Insured shall give all information and assistance as the Insurers may require in the prosecution, defence or settlement of any Claim.
 - f) Notwithstanding any of the above clauses (a) to (e) inclusive, The Insured shall not be required to contest any legal proceedings unless a Queen's Counsel or a person of similar authority (to be mutually agreed upon by The Insured and the Insurers) shall advise that such proceedings should be contested, with the reasonable probability of success or partial success.

RELINQUISH CONTROL

5. The Insurers may at any time pay to The Insured the Limit of Indemnity applying to any one Claim or series of Claims (after deduction of sums already paid) or any lesser amount for which such Claims can be settled and shall then be under no further liability in connection with such Claims.

REASONABLE CARE

6. The Insured shall as far as reasonably practicable:
- a) exercise reasonable care that only competent employees, members, and voluntary workers are employed and take reasonable measures to maintain all premises, fittings and plant in safe and sound condition
 - b) take all reasonable precautions to:
 - (i) prevent Personal Injury and Damage to Property
 - (ii) prevent the manufacture, sale or supply of defective products
 - (iii) comply and ensure that its employees, servants, members, voluntary workers and agents comply with all statutory obligations, by-laws or regulations imposed by any public authority for the safety of persons or property
 - c) at its own expense take reasonable action to trace, recall or modify any Insured Products containing any defect or deficiency of which The Insured has knowledge or has reason to suspect.

INSPECTION OF PROPERTY

7. The Insurers shall be permitted but not obligated to inspect The Insured's property and operations at any time. Neither the Insurers rights to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of The Insured or others to determine or warrant that such property or operations are safe. The Insurers may examine and audit The Insured's books and records at any time during the Insurance Year and at any time after the final termination of this Policy, as far as they relate to the subject matter of this policy.

CONTRIBUTION

8. When a loss paid under this Policy is also recoverable under another policy or policies and the Insurers have paid more than its rateable share, the Insurers reserve their rights to seek contribution from the other insurer or insurers.

SUBROGATION

9. The Insurers shall be subrogated to all The Insured's rights of recovery against all persons and organisations and The Insured shall execute and deliver instruments and papers and do all that is necessary to assist the Insurers in the exercise of such rights.

CANCELLATIONS

10. a) This Policy may be cancelled at any time at the request of The Insured giving notice in writing to the Insurers and upon cancellation The Insured shall forfeit any right to any refund of the unexpired portion of the premium.
- b) The Insurers may cancel this Policy by giving the Participant written notice to that effect, where The Insured:
- (i) fails to comply with the duty of utmost good faith, or
 - (ii) fails to comply with the duty of disclosure, or
 - (iii) made a misrepresentation to the Insurers during negotiations for and before the commencement date of this Policy (or any subsequent renewal), or

- (iv) fails to comply with any provision of this Policy, or
 - (v) made a fraudulent Claim under this Policy or any other concurrent Policy of Insurance.
- (c) The Insurers notice of cancellation takes effect at the earlier of the following times:
- (i) the time when another Policy of Insurance between The Insured and the Insurers or some other Insurer, being a Policy that is intended by The Insured to replace this Policy, is entered into; or
 - (ii) 4.00pm on the third business day after the day on which notice was given to The Insured.

In the event that the Insurers cancel this Policy, the Insurers will repay to The Insured a rateable proportion of the premium for the unexpired Insurance Year from the date of cancellation.

HEADINGS

THE HEADINGS THROUGHOUT THIS POLICY ARE INTENDED FOR CONVENIENCE ONLY AND SHALL IN NO WAY AFFECT THE CONSTRUCTION OF THIS POLICY, EXCEPT WHERE SPECIFICALLY REFERRED TO IN THE POLICY CLAUSES.