

# Small Business Solutions Combined Liability Insurance



AIG Insurance New Zealand Limited

## Policy Wording



Bring on tomorrow





Policy Wording

# Small Business Solutions Combined Liability Insurance

## Welcome

Welcome to AIG, and thank **you** for selecting **us** as **your insurer**.

This Policy is issued by AIG Insurance New Zealand Limited ("AIG").

This document is **your** insurance policy. It contains the Policy terms, Provisos, Exclusions and Conditions. It is important that **you** read and understand it and retain it in a safe place.

### Issuing Office:

AIG Insurance New Zealand Limited  
PO Box 1745  
Shortland Street  
Auckland 1140  
New Zealand



Policy Wording

# Small Business Solutions Combined Liability Insurance

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Policy Wording  
**Small Business Solutions  
Combined Liability Insurance**

## Introduction

### Your Duty of Disclosure

When **you** apply for insurance **you** have a legal duty of disclosure. This means **you** must disclose all information **you** know or could reasonably be expected to know that would influence the judgement of a prudent underwriter:

- a) to accept the risk of insurance; or
- b) if accepted, on what terms and at what cost.

**You** have the same duty of disclosure each time **you** renew, vary or reinstate **your** insurance.

Information **you** will need to disclose includes:

- a) circumstances which could increase the risk of an insurance **claim**;
- b) any criminal offences or convictions;
- c) any cancellation, refusal to renew insurance or imposing of special terms by another insurer;
- d) insurance **claims you** have made in the past.

Information **you** do not need to disclose include:

- a) circumstances which would diminish the risk of an insurance **claim**;
- b) anything that **we** know or would be expected to know in the ordinary course of **our business**;
- c) anything **we** advise **you** do not need to disclose.

If in doubt, **you** should disclose.

If **you** fail to comply with **your** duty of disclosure **your policy** can be rendered void from the beginning.



## Introduction

This **policy** is based upon the information provided in **your** proposal form or application to **us** which is incorporated in this **policy**.

The **policy**, **schedule** and endorsements (if any) are to be read together and any word or expression to which a specific meaning has been given shall bear such meaning wherever it may appear unless otherwise specifically stated.

If a word is shown in **bold**, it has a specific meaning. There is a list of these words and what they mean in the Definitions section at the end of this **policy** document.

This **policy** sets out the definitions, terms, exclusions and conditions of insurance provided by the **insurer** and the operative sections of the **policy** are shown on the **schedule**. **We** ask that **you** read this **policy**, the **schedule** and any endorsements carefully so that **you** are aware of the terms and conditions and if these are not completely in accordance with **your** intentions to contact **your** insurance broker.

## Insuring Agreement

**You** agree to pay **us** the **premium** and comply with this **policy**. In exchange, **we** agree to insure **you** as set out in this **policy**.

**Our** liability shall not exceed the **limit(s) of liability** specified in the **schedule**.

## The Fair Insurance Code

We are a signatory to the Fair Insurance Code. The Fair Insurance Code is a code of practice that sets minimum service standards for insurance companies and describes the responsibilities that customers and their insurance company have to each other. You can obtain a copy of the code from the Insurance Council of New Zealand website or by contacting us.



## General, Employers, Statutory Liability Insurance

### Insuring Clause – General Liability

Cover under this Insuring Clause is afforded solely with respect to an **occurrence** happening during the **policy period** within the **territorial limits** which arises from and within the course of the **business** and provided that the action for damages is brought against **you** in a court of law within the **territorial limits**.

General Liability           **We** agree to insure **you** for all amounts that **you** become legally liable to pay as a result of **claims** or **legal proceedings** for personal **injury** or **property damage**.

### Insuring Clauses – Statutory Liability and Employers Liability

Cover under these Insuring clauses is afforded solely with respect to **claims** first made against **you** during the **policy period** that are reported to **us** as required by this **policy**.

Employers Liability       **We** agree to insure you for all amounts that **you** become legally liable to pay as a result of **claims** for **personal injury** sustained by an **employee**.

Statutory Liability       **We** agree to insure **you** for all **penalties** that you become legally liable to pay as a result of **claims** for **statutory liability**.

### Defence Provisions and Limits of Liability: General Liability

These Defence and Limits Clauses apply to the cover under the General Liability Insuring Clause only.

Defence Costs           **We** shall defend at **our** cost any **claim** or legal proceeding against **you** that seeks compensation, even if the **claim** or legal proceeding is groundless, false or fraudulent.

What We Will Pay       In the defence of any **claim** or legal proceeding against **you** that seeks compensation covered by this **policy** **we** will:

- a) Investigate, negotiate and settle the **claim** or legal proceeding; and
- b) Pay the following supplementary payments:
  - i) All costs made against the **insured** in the **claim** or legal proceeding;
  - ii) Pre-judgment interest awarded against the **insured** on that part of the judgment **we** pay;
  - iii) Post-judgment interest that accrues after entry of judgment and before **we** have paid, offered to pay or deposited in court that part of the judgment that is within the applicable limits of liability; and
  - iv) The insured expenses incurred at **our** request or with **our** written consent (including actual **loss** of wages or salary, but not **loss** of other income).

Any **excess** shall be borne by the **insured** and shall remain uninsured, with regard to all payments for which the **insured** shall be liable.

What We May Do       **We** may undertake investigations, conduct negotiations and with **your** written consent settle any **claim** or **legal proceedings** where settlement has been agreed to by the parties being indemnified or has been recommended by a senior counsel. If consent



to such settlement is withheld by **you** then **our** liability on account of that **claim** or legal proceeding shall not exceed the amount for which **we** could have settled the **claim** or legal proceeding plus the costs and expenses incurred to the date such settlement was recommended in writing to **you**.

**What We Won't Pay**      **We** will not defend any **claim** or legal proceeding or investigate any **claim** or legal proceeding after the exhaustion of the applicable limits of liability by the payment of **loss**.

**Limits – Personal Injury / Property Damage**      **Our** liability in respect of any one **occurrence** shall not exceed the **limit of liability** as shown in the **policy schedule**. All **personal injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be construed as arising out of one **occurrence**.

**Limits – Products Hazard**      **Our** total aggregate liability during any one **policy period** for all **occurrences** involving the **products hazard** shall not exceed the **limit of liability** as shown on the **policy schedule**.

**Costs in Addition**      Expenses incurred to defend or investigate any **claim** or legal proceeding will be in addition to the applicable limits of liability.

#### Automatic Extensions:

The following Automatic Extensions are subject to the policy terms, unless otherwise stated.

All sub-limits are included in and not in addition to the **limit of liability** unless otherwise stated. These extensions are also subject to the **policy excess** unless otherwise stated.

**30 Day Minimum Reporting Window**      Any **claim** first made against **you** during the last 30 days of the **policy period** will be deemed reported within the **policy period** if actually reported to **us** within the first 30 days after having been first made against **you**.

**Business Advice or Service**      **You** are insured for all sums that **you** become legally liable to pay arising from **injury** and/or **damage** that happens during the **policy period** in connection with:

- a) Advice, service, errors or omissions by **you** in connection with your **business**, provided that the advice or service is not charged for, and would in the ordinary course of your business not be charged for.
- b) The rendering of or failure to render medical assistance by a person engaged or employed by **you** to provide first aid or other medical services at **your** premises.

**Business Travel to a Country Outside New Zealand**      **You** are insured for all sums that **you** become legally liable to pay arising from **injury** and/or **damage** that happens during the **policy period** in a country outside of New Zealand, provided you are temporarily visiting and not normally resident in that country and that **your** legal liability arises in connection with travel related to, or in, that country for the purposes of **your business**.

No cover is provided under this Extension:

- a) If **you** have a place of business in that country, or if **you** are represented by any parent or subsidiary company or joint venture in that country.



- b) For liability in connection with any work performed in connection with the manufacture, assembly, repair, servicing, maintenance, amendment, alteration or enhancement of any product or property, and
- c) For liability in connection with the ownership, possession, control, maintenance or use of any **vehicle** or **watercraft**.

In respect of all events and claims for **injury** and/or **damage** to property occurring in the United States of America or Canada (including those territories to which the legal jurisdiction of the United States of America or Canada applies), the limits of liability specified in the schedule shall apply in the aggregate during the **policy period**.

Care, Custody and Control

Notwithstanding the property owned or in **your** physical or legal control or **vehicles** exclusions, **we** agree to indemnify **you** for **property damage** to:

- a) Tangible property (excluding livestock) not owned by **you**, but in **your** physical or legal control;
- b) **Premises** which are leased or rented to **you**;
- c) **Premises** and their contents not belonging to, leased or rented to **you** at which **you** are undertaking work in connection with the **business**;
- d) **Vehicles** and their contents (not belonging to or used by or on behalf of the **insured**) in **your** physical or legal control where such **property damage** occurs while any such **vehicle** is in a car park owned or operated by **you**;

Cover under this extension does not apply if **you**, as part of the **business**, own or operate a car park for reward;

- e) Goods, equipment, merchandise and property other than real property subject to cover being limited to a maximum of \$500,000 each **occurrence** and in the aggregate during any one **policy period** for such **property damage**;

The total amount payable under this extension, other than part (e) above, is for any one **occurrence** and in the aggregate during the **policy period** as described in the **schedule**.

The **excess** shown on the **schedule** applies to each and every **claim** under this extension.

Defence Cost Advancement

**We** shall advance covered **defence costs** in respect of insuring clauses Employers and **Statutory Liability**.

Goods Lifted or Carried by Crane

**You** are insured for all sums that **you** become legally liable to pay for **damage** to property being lifted, lowered or conveyed by any crane operated by **you**, which happens during the **policy period** in connection with **your business**, provided that **you** are not otherwise insured for **your** liability under any other policy.

Provided that the usage of any crane is incidental and not the main occupation of **your business**

However, no cover is provided for liability for:

- a) **damage** in connection with dual or multi-lifts. For the purpose of this Extension a "dual lift" is where two cranes are used for one lift, "multi-lifts" are where more than two cranes are used for any one lift,
- b) **damage** to property being carried under a contract of carriage.





Exclusions – **property damage** b) – property in your care, custody or control, and c) property being worked on, and Vehicles, do not apply to this Extension.

The most **we** will pay under this Extension for all occurrences during the **policy period** is \$250,000.

An **excess** of \$2,500 applies to each **claim** under this Extension.

Heirs, Estates and  
Legal Representatives

Any **claim** made against any estate, heir or legal representative of an **insured person** for **statutory liability** of that **insured person**, shall be covered as if made against that **insured person**.

Innkeeper's Liability

**You** are insured for all sums that **you** become legally liable to pay under the Innkeepers Act 1962 or its amendments

Landlords Liability

**You** are insured for all sums that **you** become legally liable to pay arising from **injury** and/or **damage** that happens during the **policy period**, in connection with **your** legal ownership, but not physical occupation, of any premises.

Product Withdrawal  
Costs

**We** agree to indemnify **you** for reasonable costs incurred, where it is necessary for **you** to withdraw or recall **your products**, provided that:

- a) the defect(s) in the **product** which cause the withdrawal or recall, has already given rise to a claim covered by this policy -;and
- b) the cover is for the withdrawal or recall of **products** within New Zealand only.

**We** will pay 80% of the costs incurred for any occurrence.

The most **we** will pay under this Extension for all **occurrences** that happen during the **policy period** is \$100,000.

In respect of this this extension only, cover for defence costs is included within the General Liability Limit of Liability and not in addition to it.

The Product Recall Exclusion does not apply in respect of this Extension.

Punitive and Exemplary  
Damages (for General  
Liability only)

**We** agree to indemnify **you** for punitive and/or exemplary damages awarded to, or on behalf of, a person who has suffered personal **injury** resulting from an **event** in connection with **your business**, or **your** ownership, occupancy or tenancy of a building, structure or land, provided that:

- a) The **claim** must be made against **you** and reported to **us** during the **policy period**;
- b) Any punitive or exemplary damages awarded by any court outside of New Zealand are excluded;
- c) The total amount payable under this extension shall not exceed \$1,000,000, inclusive of all costs any one **claim** and in the aggregate, during any one **policy period**;
- d) An **excess** of \$500

inclusive of costs applies to each and every **claim** under this Extension.

**We** will not indemnify **you** for **claims** arising from personal **injury** or an **event** that caused personal **injury** where such personal **injury** or event occurred prior to the **retroactive date** specified in the **schedule**.



Service & Repair -  
Machinery

**You** are insured for all sums that **you** become legally liable to pay for **property damage** to machinery where the **property damage** happens in New Zealand during the **policy period** in connection with **your business** and arising out of your repair of the machinery.

Provided that the machinery is not, and has not been owned, hired, leased, or rented by **you**.

Exclusions for **property damage** b) in **your** care, custody or control, do not apply to this Extension.

The most that **we** will pay under this Extension for all **occurrences** that happen during the **policy period** is \$250,000.

An **excess** of \$2,500 applies for each **occurrence** under this Extension.

Service & Repair -  
Motor Vehicles and  
Watercraft

Notwithstanding the property owned or in **your** physical or legal control or **vehicles** exclusions of this **policy** it is agreed that in respect of **vehicles**, **vehicle** parts or **watercraft** not exceeding 10 metres in length that are or have been in the care custody or control of the **insured** for the purposes of service and/or repair, this **policy** extends to indemnify **you** for amounts they shall become legally liable to pay in respect of:-

- a) **Loss** of or damage to the **vehicle** being serviced or repaired;
- b) Personal **injury** or **property damage** arising from service and/or repairs to **vehicles**;
- c) Personal **injury** or **property damage** as a result of an accident whilst the **vehicle** is being driven on any public or private road or thoroughfare;

The most that we will pay under this Extension for any one **occurrence** and in the aggregate for all **occurrences** during any one **policy period** is \$500,000.

An **excess** of \$1,000 applies to each and every **claim** under this Extension.

Provided that this extension of cover does not apply to:

- a) Personal **injury** or **property damage** resulting from towing the **vehicle** except where it is being towed for the reason that it is either mechanically disabled or is designed to be towed in the course of its normal use;
- b) The cost of rectifying any defective workmanship or faulty workmanship in respect of the actual part or parts worked on by **you**. However, liability consequent upon personal **injury** or **property damage** resulting from defective workmanship is not excluded;
- c) Liability arising out of any **occurrence** resulting from a **vehicle** or **watercraft** engaged in or being tested in preparation for racing, pace making or speed testing or any **occurrence** resulting from a **vehicle** engaged in any hill climbing test or being driven on any racetrack or speedway;
- d) Liability arising out of any **occurrence** resulting from the **vehicle** or **watercraft** being driven by a person with your consent, who is under the influence of intoxicating liquor or drugs to the extent that an offence is committed under New Zealand law;
- e) Liability arising out of any **occurrence** resulting from a **vehicle** being driven by a person with **your** consent, who does not have the appropriate licence to drive the **vehicle**.

Spouses

Any **claim** made against an **insured person's** spouse for **statutory liability** of that **insured person**, shall be covered as if made against that **insured person**.



Tenant's Liability	<p><b>You</b> are insured for all sums that you become legally liable to pay for <b>damage</b> that happens during the <b>policy period</b> to any premises(including landlord's fixtures and fittings) occupied, but not owned, by <b>you</b>.</p>
Underground Property or Services	<p><b>We</b> will indemnify <b>you</b> for legal liability arising directly or indirectly out of <b>property damage</b> in New Zealand to property or services normally located underground.</p> <p>Provided that</p> <ul style="list-style-type: none"><li>a) Prior to the commencement of any work <b>you</b> enquired of the relevant authority, corporation or company as to the location of such services; and</li><li>b) <b>You</b> took all reasonable precautions to prevent personal <b>injury</b> or <b>property damage</b>; and</li><li>c) Any liability arising out of work carried out more than five meters below ground level is excluded; and</li><li>d) Any liability arising out of work carried out underground by directional drilling or by a thrusting or boring <b>machine</b> is excluded; and</li><li>e) Cover for all <b>claims</b> for compensation that arise under this extension out of the one <b>occurrence</b> are limited in the aggregate during the <b>policy period</b> to the <b>limit of liability</b> shown in the <b>schedule</b>; and</li><li>f) An <b>excess</b> of \$2,500 shall apply for each <b>occurrence</b> under this Extension.</li><li>g) The most we will pay for each <b>occurrence</b> under this Extension is \$250,000.</li></ul>
Vibration and Removal of Support	<p><b>We</b> agree to indemnify <b>you</b> for all sums which <b>you</b> shall become legally liable to pay for personal <b>injury</b> or <b>property damage</b> in New Zealand arising from <b>your</b> actions in removing, weakening or interfering with the support of land or buildings, other than those owned or occupied by <b>you</b>, provided that:</p> <ul style="list-style-type: none"><li>a) The most <b>we</b> will pay under this Extension for all <b>occurrences</b> that happen in the <b>policy period</b> is \$500,000;</li><li>b) An <b>excess</b> of \$5,000 shall apply for each <b>occurrence</b> under this Extension.</li></ul>



Optional Extension:

This Optional Policy Extension only applies where shown in the **schedule** as “Insured”. The total of all payments made under this extension shall be part of and not in addition to the **limit of liability**.

Defective Workmanship

Notwithstanding Exclusion – Property Damage c), and Service & Repair – Motor Vehicles and Watercraft Exclusion b) in this General Liability section, **we** agree to indemnify **you** for **your** legal liability for defective work performed during the **period of insurance**.

Provided that;

- a) Cover is only provided for the cost of rectifying, removal, repair, alteration and treatment of any work done or undertaken by **you** which has proven to be defective;
- b) **Our** liability under this extension is limited to \$100,000 in respect of each **occurrence** and in the aggregate during any one **policy period**;
- c) An **excess** of \$1,000 will apply in respect of all costs and damages arising from any one **event**;
- d) Where **you** carry out repairs, indemnity under this extension is limited to the actual cost of repair and shall not include any cover for **your** profit margin;

Cover does not apply to;

- i. Rendering or failure to render professional advice or services by **you**; or
- ii. Any error or omission arising from the rendering of professional advice, design specification or services; or
- iii. Repair or replacement of **insured products**.

All other terms, conditions and exclusions remain unchanged.

Exclusions:

This Policy shall not cover **loss** or make any payment in connection with any **claim** and excludes all liability arising out of, based upon or attributable to any:

Aircraft, Hovercraft and Watercraft

- a) Ownership, possession, maintenance, operation or use by or on behalf of the **insured** of any **aircraft** or **hovercraft**; or any **watercraft** or vessel exceeding ten (10) metres in length.
- b) Provided that this exclusion shall not apply with respect to:
  - i. **Watercraft** owned by others and used by **you** for **business** entertainment; or
  - ii. Hand propelled or sailing craft.

This proviso shall only apply where such **watercraft** are sailing or operating in New Zealand territorial or inland waters;

Aircraft Products

Supply, distribution, sale or manufacture of **aircraft products** or reliance upon any representations or warranties made by the **insured** with respect to **aircraft products** or arising out of the **grounding** of any **aircraft**;



Asbestos	<p>Mesothelioma, asbestosis or for any death, disease, <b>loss</b> of use of property, damage to property (including consequential <b>loss</b>) arising directly or indirectly out of or in connection with or in consequence of:</p> <ul style="list-style-type: none"><li>a) Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos; or</li><li>b) The use of asbestos in constructing or manufacturing any good, product or structure; or</li><li>c) The removal of asbestos from any good, product or structure; or</li><li>d) The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos; or</li><li>e) The presence of asbestos in any building;</li></ul>
Conduct	<p>Criminal, fraudulent, wilful or malicious act, error or omission, or any intentional or knowing violation of <b>statute</b> or law;</p>
Contractual Liability	<p>Personal <b>injury</b> or <b>property damage</b>:</p> <ul style="list-style-type: none"><li>a) Where <b>you</b> assume liability under any contract or agreement. But this exclusion shall not apply to those written contracts:<ul style="list-style-type: none"><li>i) Designated in the <b>policy schedule</b>;</li><li>ii) Where liability would have been implied by law;</li><li>iii) Where <b>you</b> assume liability under a warranty of fitness or quality as regards <b>your products</b>;</li><li>iv) To <b>incidental contracts</b> entered into by the <b>named insured</b>;</li><li>v) To <b>insured contracts</b> entered into by the <b>named insured</b> where the <b>named insured</b> is obligated to provide insurance as is afforded by this <b>policy</b>, to any person or organisation, but only with respect to their liability arising out of operations conducted by the <b>named insured</b> or on their behalf and not to any greater extent than required by the contract or agreement;</li></ul></li><li>b) Where <b>you</b> have waived any rights, which but for the existence of such waiver would accrue to <b>you</b>;</li></ul>
Expected or Intended	<p>Personal <b>injury</b> or <b>property damage</b> expected or intended from the standpoint of the <b>insured</b>. However, this exclusion does not apply to:</p> <ul style="list-style-type: none"><li>(a) personal <b>injury</b> or <b>property damage</b> resulting from the use of reasonable force to protect persons or property; or</li><li>(b) liability of the <b>insured</b> for compensation as the result of an act committed by the <b>insured's employee(s)</b> which results in personal <b>injury</b> or <b>property damage</b> expected or intended from the standpoint of the <b>insured's employee(s)</b>, provided such act was not committed at the direction of the <b>insured</b>;</li></ul>
Financial Loss	<p>Financial <b>loss</b>, unless such <b>loss</b> is a direct result of personal <b>injury</b> or <b>property damage</b> for which indemnity is provided by this <b>policy</b>;</p>



Hazardous Materials	Engagement by <b>you</b> of any contractor to dispose of or handle materials unless <b>you</b> have taken reasonable steps to ensure that the materials will be disposed of or handled lawfully;
Internet Operations	Personal <b>injury</b> or <b>property damage</b> arising directly or indirectly out of or caused by or in connection with <b>your</b> internet operations, including but not limited to <b>business</b> conducted and/or transacted via the internet, intranet, extranet and/or via <b>your</b> own website, internet site, web address and/or via the transmission of electronic mail or documents by electronic means;
Libel & Slander	Publication or utterance of a libel or slander: <ul style="list-style-type: none"><li>a) made prior to the effective date of this insurance; or</li><li>b) (made at <b>your</b> direction with knowledge of the falsity thereof; or</li><li>c) related to advertising, broadcasting or telecasting activities including internet activity conducted by or on behalf of <b>you</b>;</li></ul>
Mould / Building Defect	<p>Liability for any personal <b>injury</b> or <b>property damage</b> or any other <b>loss, injury, damage, cost or expense</b>, including, but not limited to, <b>losses</b>, costs or expenses related to, arising from or associated with clean-up, remediation, containment, removal or abatement, caused directly or indirectly, in whole or in part, by:</p> <ul style="list-style-type: none"><li>a) Any fungus(i), mould(s), mildew or yeast, or</li><li>b) Any spore(s) or toxins created or produced by or emanating from such fungus(i), mould(s), mildew or yeast, or</li><li>c) Any substance, vapour, gas, or other emission or organic or inorganic body or substance produced by or arising out of any fungus(i), mould(s), mildew or yeast, or</li><li>d) Any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure, that contains, harbours, nurtures or acts as a medium for any fungus(i), mould(s), mildew, yeast, or spore(s) or toxins emanating therefrom;</li></ul> <p>regardless of any other cause, <b>event</b>, material, product and/or building component that contributed concurrently or in any sequence to that <b>loss, injury, damage, cost or expense</b>.</p> <p>This exclusion does not apply to any claim that is caused by the leakage of internal pipes, internal water systems or cisterns.</p>
Non Compliance	Event which has resulted from <b>your</b> intentional, knowing or reckless failure to comply with any lawful abatement notice or enforcement order, improvement notice, prohibition notice or suspension notice, building notice, notice to rectify, compliance <b>schedule</b> , gazetted notice, or order made by a commission, tribunal, or standards review board;
Nuclear Material	<ul style="list-style-type: none"><li>a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;</li><li>b) The radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof;</li></ul>



Pollution	<p>c) Of whatsoever nature, directly or indirectly;</p> <p>Personal <b>injury</b> or <b>property damage</b> directly or indirectly arising out of, caused by or contributed to by:</p> <ul style="list-style-type: none"><li>a) The discharge, dispersal, release or escape of <b>pollutants</b> into or upon land the atmosphere or any watercourse or body of water;</li><li>b) The cost of removing, monitoring, testing, containing, treating, detoxifying, neutralizing, nullifying or cleaning up <b>pollutants</b> or <b>pollutants</b> discharged, dispersed, released or escaped into or upon land, the atmosphere or any watercourse or body of water;</li><li>c) Fines, penalties, punitive, exemplary or multiple damages relating to the circumstances detailed in (a) above;</li><li>d) The cost of preventing the escape of <b>pollutants</b>;</li></ul>
Prior Claims/ Circumstances	<ul style="list-style-type: none"><li>a) As of the <b>policy</b> inception, prior or pending <b>claims</b> or circumstance reported under any <b>policy</b> of which this <b>policy</b> is a renewal or replacement, or the same, continuous, repeated or related facts as those alleged in such prior or pending <b>claim</b> or such circumstance;</li><li>b) As at the <b>continuity date</b>, any pending or prior: a) <b>litigation</b>; or b) administrative or regulatory proceeding or official investigation of which an <b>insured person</b> had notice, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior <b>litigation</b> or administrative or regulatory proceeding or official investigation;</li></ul>
Professional Services	<ul style="list-style-type: none"><li>a) rendering of or failure to render professional advice or services by <b>you</b>; or</li><li>b) any error or omission arising from the rendering of professional advice, design specification or services;</li></ul> <p>for a fee.</p> <p>Provided that this exclusion does not apply to the rendering of or failure to render professional medical advice by <b>medical persons</b> employed by <b>you</b> to provide first aid and other medical services on <b>your premises</b>.</p>
Sanctions	<p>If, by virtue of any law or regulation which is applicable to an Insurer, its parent company or its ultimate controlling entity, at the inception of this Policy or at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an applicable embargo or sanction, that Insurer shall provide no coverage and have no liability whatsoever nor provide any defence to the Insured or make any payment of defence costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such embargo or sanction.</p>
Silica	<p>Presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibres, silica dust or silica in any form, or to any obligation of the <b>insured</b> to indemnify any party because of <b>bodily injury</b> or <b>property damage</b> arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibres, silica dust or silica in any form;</p>
Statutory Liability Excluded	<p>Of the following excluded <b>statutes</b>: Arms Act 1983; Aviation Crimes Act 1972; Crimes Act 1961; Land Transport Act 1988; Proceeds of Crimes Act 1991; Summary Offences Act 1981; Transport Act 1962; Transport (Vehicle and Driver Registration</p>



and Licensing) Act 1986 and any other Act of Parliament specified by endorsement as an excluded Act;

Transmissible Spongiform Encephalopathy (TSE )

Liability in respect of personal **injury** or **property damage** or any other **loss**, cost or expense, including, but not limited to inspection costs, surveillance costs, slaughter costs and costs or expenses related to, arising from or associated with clean-up, remediation, containment, removal or abatement, caused directly or indirectly, in whole or in part, by any form of transmissible spongiform encephalopathy (TSE), including, but not limited to bovine spongiform encephalopathy (BSE) ,chronic wasting disease (CWD), Creutzfeldt-Jakob disease, new variant Creutzfeldt-Jakob disease (NV-CJD), scrapie or transmissible mink encephalopathy, regardless of any other cause, **event**, material or product that contributed concurrently or in any sequence to that personal **injury** or **property damage**, **loss**, cost or expense. TSE includes but is not limited to any **loss**, cost or expense which is related to or contributed to, caused or accelerated by or results from any form of TSE, or any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection therewith;

War or Terrorism

Personal **injury** or **property damage** arising directly or indirectly as a result of or in connection with **war** and / or **terrorism** including, but not limited to, any contemporaneous or ensuing personal **injury** or **property damage** caused by fire, looting or theft.

In addition, this **policy** shall not cover **loss** or make any payment in connection with any **claim**:

Additional Penalties

For a **penalty** imposed on an **insured** in relation to:

- (i) a daily or ongoing event or offence to the extent that the **penalty** relates to the period of time after **you** first received notice of the prosecution or of the intention to commence the prosecution; or
- (ii) the cost or payment of any enforcement order, remedial order or compliance order; or
- (iii) the cost or payment of any tax (**penalty** or otherwise), interest, compliance costs, duty or other monetary obligation to the inland revenue department; or
- (iv) any damages or compensation, not part of a **penalty**, imposed by a tribunal or court of competent jurisdiction;

Bodily Injury

For **bodily injury**, sickness, disease, or death of any person, or infliction of emotional distress; provided that this exclusion does not apply to cover for **claims** made under the Employers or General Liability insuring clauses and extensions thereto;

Indirect Activities

For any **employee** engaged in any activity or occupation not directly part of **your business** unless **you** give prior written notice of such engagement to **us** and we confirm our agreement to cover being extended by way of an endorsement to the **policy** and the payment by **you** of such additional **premium** as **we** may require;

Loss of use

For **loss** of use of any tangible property which has not been physically injured or destroyed resulting from:

- a) A delay in or lack of performance by **you** or on **your** behalf of any contract or agreement; or





- b) The failure of **your products** to meet the level of performance, quality, fitness or durability express or implied, warranted or represented by **you**.

Provided that this exclusion does not apply to **loss** of use of other tangible property resulting from the sudden and accidental physical **injury** to or destruction of **your products** after such products have been put to use by any person or organisation other than **you**;

Property Owned or in the Insured's Physical or Legal Control

In respect of **property damage** to:

- a) Property owned by, leased or rented to **you**; or
- b) Property belonging to **you** or in **your** care, custody or control or any of **your employees**
- c) That particular part of any real property on which **you** or any contractors working directly or indirectly on **your** behalf are performing operations if the **loss** or **property damage** arises out of those operations;

This exclusion is subject to the terms of the General Liability policy extensions **Care, Custody and Control** and **Landlords Liability**

Property Damage to Products

**Property damage to your products.**

Product Recall

For any cost or expense incurred or claimed for the withdrawal, inspection, repair, replacement, or **loss** of use of **your 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.

Vehicles

For personal **injury** or **property damage** caused by or arising out of the ownership, possession, use of or operation by **you** of any **vehicle** which is registered or in respect of which insurance is required by virtue of any legislation.

Provided that this exclusion shall not apply to **your** liability for personal **injury** or **property damage** arising from:

- a) The actual loading, unloading, delivery or collection of goods to or from any **vehicle**;
- b) The use of any **mobile mechanical plant or machinery** either on any **site** where **you** are undertaking work or at **your premises**.

Proviso b) does not extend cover to the use of any **mobile mechanical plant or machinery**, whilst in transit or whilst being used for transport or haulage.

Workers Compensation and Employers Liability (General & Products Liability only)

In respect of the General and Products Liability section:

- a) In respect of **bodily injury** sustained by an **employee** which arises out of or in the course of their employment by **you**;
- b) Imposed by the provisions of any:
  - i) Workers' compensation legislation or under any similar legislation;
  - ii) Accident compensation legislation or under any similar legislation;
  - iii) Industrial award, agreement or determination;



c) For any obligation for which **you** may be held liable under any worker's compensation law or under any similar law;



## Conditions

### Limits & Application of the Policy Excess

#### Limit of Liability

The total amount payable by **us** under this **policy** shall not, in the aggregate, exceed the **limit of liability**. **Sub-limits** of liability, extensions and **defence costs** are part of that amount and are not payable in addition to the **limit of liability** except for payments under the General Liability defence payments extension. The total amounts payable by **us** under any extensions subject to a **sub-limit** of liability shall not exceed the applicable amount specified for that extension. The inclusion of more than one **insured** under this policy does not increase the total amount payable by **us** under this **policy**.

#### Excess

**We** shall only pay for the amount of any **loss** or payments under the General Liability insuring clause or any applicable extension which exceeds the **policy excess**.

The **excess** shall not apply to **loss** involving an **insured person** that cannot be indemnified by the **company**.

The **excess** applies to **defence costs** and must be borne by the **company** and shall remain uninsured. A single **excess** shall apply to **loss** arising from all **claims** alleging the same statutory liability, employer' liability, personal **injury**, or **property damage**.

**We** will not defend any **claim** or legal proceeding or investigate any **claim** or legal proceeding arising from an **occurrence** after the exhaustion of the applicable limits of liability by the payment of **loss**.

#### Non-Compliance

The amount of indemnity under this **policy** shall be reduced where **your** breach of, or non-compliance with, the terms and conditions of this **policy** prejudices the settlement or handling of a **loss** or **claim**, to such sum which in **our** opinion would have been payable by **us** without such prejudice.

### Conditions: Claims

#### Advance Payment of Defence Costs

The **insurer** may not refuse to advance **defence costs** for statutory liability or employers liability by reason only that the **insurer** considers that conduct referred to in paragraphs (i) to (iii) of the conduct exclusion has occurred, until such time as there is an admission, or, a judgment, award or other finding by a court, tribunal or arbitrator which establishes the foregoing. Any payments advanced in respect of **defence costs** for which it is ultimately established the **insurer** is not liable must be repaid by the **insured persons** and/or the **company**.

#### Bankruptcy or Insolvency

The bankruptcy of any **insured person** or insolvency of the **company** shall not relieve **us** of any obligations under this **policy**.

#### Circumstances

Any **insured** may, during the **policy period**, notify **us** at the address on page 2 of this **policy** of any circumstance reasonably expected to give rise to a **claim**. The notice must include the reasons for anticipating that **claim**, and full particulars as to dates, acts and persons involved.

#### Claims Made & Reported

Cover under this **policy** for all insuring clauses and extensions other than for General Liability is afforded solely with respect to **claims** first made against **you** during the **policy period** that are reported to **us** as soon as practicable during the **policy period** or the **discovery** period, if applicable.



Cover under the general liability insuring clause is afforded solely with respect to an **occurrence** happening during the **policy period** within the **territorial limits** which arises from and within the course of the **business** and provided that the action for damages is brought against an **insured** within the **territorial limits**.

Duties in Event of  
General Liability Claim

Upon the happening of an **occurrence** which may give rise to a **claim** or legal proceeding under this **policy** you must:

- a) As soon as reasonably practicable-
  - i) Notify **us** of such **occurrence**;
  - ii) Provide all particulars and information as **we** may request;
- b) Immediately-
  - i) Forward to **us** every letter, **claim**, writ of **legal proceedings** or other document served on **you** or **your** representative;
  - ii) Notify **us** of any impending prosecution, inquest, fatal inquiry or proceedings in any court;
- c) As **we** may require-
  - i) Retain anything connected therewith;
  - ii) Provide all assistance;
  - iii) Promptly take at **your** own expense, all reasonable steps to prevent other personal **injury** or **property damage** arising out of the same conditions, but such expense shall not be recoverable under this **policy**.

**You** must not:

- a) Make any admission of liability;
- b) Take any action which may be construed as an admission of liability;
- c) Repudiate or settle any **claim** or legal proceeding; or
- d) Waive any rights of recovery without our prior written consent.

**We** have the right to:

- a) Defend any **claim** or legal proceeding against **you**;
- b) Take over and conduct the defence or settlement of any **claim** or legal proceeding;
- c) Prosecute for its own benefit any **claim** or legal proceeding for indemnity or damages or otherwise in the name of the **insured**;
- d) Have subrogation of all the **insured's** rights of recovery against any person or organisation, whether before or after, indemnification by **us**;
- e) Exercise full discretion in the conduct of any **legal proceedings** and in the settlement of any **claim** or legal proceeding, whether before or after indemnification by **us**.

Consent: Insured

**We** may settle any **claim** with respect to any **insured**, subject to such **insured's** or the **policyholder's** written consent.

Consent: Insurer

**You** shall not admit or assume any liability, enter into any settlement agreement, or consent to any judgment without our prior written consent. Only judgments resulting from **claims** defended in accordance with this **policy** shall be recoverable as a **loss** under this **policy**.



Continuity Notwithstanding the known or prior exclusion, cover is provided under this **policy** for any **claim**, or circumstance, which could or should have been notified under any earlier **policy**, provided always:

- (i) the **claim**, or circumstance, could and should have been notified after the **continuity date**; and
- (ii) the cover provided under this condition shall be in accordance with the provisions of the **policy** under which the **claim**, or circumstance, could and should have been notified.

This condition applies to all insuring clauses other than the general liability, the fidelity and personal accident insuring clauses.

Defence/ Settlement **You** must, at **your** own cost, provide **us** with all reasonable assistance and take all reasonable measures to mitigate **loss**. **You** shall defend and contest any **claim** made against **you**. **We** shall be entitled, but not required, to participate fully in such defence and the negotiation of any settlement that involves or appears reasonably likely to involve **us**. **We** may undertake investigations, conduct negotiations and with **your** written consent settle any **claim** or **legal proceedings** where settlement has been agreed to by the parties being indemnified or has been recommended by a senior counsel.

Determination of Whether Insurer's Settlement Recommendations are Reasonable Should **you** wish to contest any **legal proceedings** which **we** want to settle, then **we** agree to the appointment, at **your** request, of a senior lawyer (to be mutually agreed upon by **you** and **us**, or in the absence of mutual agreement to be appointed by the president of the Law Society, or equivalent organisation, in the jurisdiction in which the **legal proceedings** were first served) to determine whether our settlement recommendation is reasonable. The senior lawyer shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely costs of defence and the prospects of **you** successfully defending the action. The costs of the senior lawyer's opinion will be borne by **us**.

Loss Allocation Where any **loss** is incurred in respect of any **claim** which arises from both covered matters and matters not covered by this **policy**, **our** liability under this **policy** is limited to the proportion of the **loss** which represents a fair and equitable allocation between **us** and **you**, taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under this **policy**.

Allocation Disputes If the parties are unable to agree, then the fair and equitable allocation is to be determined by a senior lawyer (to be mutually agreed upon by **you** and **us**, or in the absence of agreement, to be appointed by the President of the Law Society, or equivalent organisation, in the jurisdiction in which the **loss** was incurred). The senior lawyer is to determine the fair and equitable allocation as an expert, not as an arbitrator. The **insurer** and the **insured** (or its designee) may make submissions to the senior lawyer. The senior lawyer is to take account of the parties' submissions, but the senior lawyer is not to be fettered by such submissions and is to determine the fair and equitable allocation in accordance with his or her own judgment and opinion. The senior lawyer's determination shall be final and binding. The costs of the senior lawyer's determination are to be borne by **us**.



For so long as the proportion of **defence costs** to be advanced under the **policy** remains not agreed and undetermined, **we** shall advance the proportion of the **defence costs** which it considers represents a fair and equitable allocation. The fair and equitable allocation finally agreed or determined shall be applied retrospectively to any **defence costs** incurred prior to agreement or determination.

**Preservation of Right to Indemnity** In the event and to the extent that **we** are permitted or required to indemnify **you** in respect of a **claim**, but for whatever reason fails or refuses to do so, then **we** shall pay on behalf of **you** any **loss** arising from such **claim**. In such event the **excess** applicable to statutory liability or employers' liability cover shall be paid by **you** to **us**. In the event of **you** being placed in liquidation (other than voluntary liquidation) no **excess** shall apply.

**Recovery** Once **we** have accepted any part of **your** claim under this policy, **we** may assume **your** legal right of recovery. If **we** initiate a recovery **we** will include **your** excess, and any other uninsured **losses** suffered by **you**. Where **we** do this, **you** agree to pay **your** proportional share of the recovery costs, and subsequently the proceeds of the recovery will be shared on the same proportional basis, except that **we** will reimburse **your** excess first.

**You** must fully co-operate with any recovery process. If **you** do not, **we** may recover from **you** the amount paid in relation to the claim.

**Related Claims** If notice of a **claim** or circumstance is given as required by this **policy**, then any subsequent **claim** alleging, arising out of, based upon or attributable to the facts alleged in that **claim** or described in that circumstance notice shall be deemed first made against an **insured** and reported to **us** at the time the required notices were first provided. Any **claim** arising out of, based upon or attributable to continuous, repeated or related management liability, **statutory liability**, personal **injury**, or **property damage** shall be considered a single **claim**.

#### General Conditions:

**Assignment** This **policy** and any rights hereunder cannot be assigned without **our** prior written consent.

**Authority** It is agreed that the **named insured** acts on behalf of all **insured's** with respect to the exercise of all their rights and the discharge of all their duties in respect of this **policy**, including but not limited to:

- a) Negotiating the terms and conditions of cover;
- b) Binding cover;
- c) The notification of a **claim**, circumstance, legal proceeding or **loss**;
- d) The giving and receiving of any notice of cancellation;
- e) The payment of **premium** and the receipt of any refund of **premium** that may become due;
- f) The payment of the **excess**;
- g) The negotiation and receipt of any endorsement;



- h) The appointment of lawyers to defend a **claim** or legal proceeding or **loss**;
- i) The receipt of amounts payable by **us** under this **policy**.

#### Cancellation

This **policy** may be cancelled;

- a) By **you** at any time by notifying us in writing. If **you** do so, **we** will refund any premium that is due to **you** based on the unused portion of the **policy period**. **You** must pay any outstanding premium due for the expired portion of the **policy period**.
- b) By **us** at any time by giving notice in writing to **you**. The cancellation will take effect at 4pm on the 30th day after the notice has been sent. **We** will refund **you** any **premium** that is due to **you** based on the unused portion of the **policy period**.

However, if any **claims**, **direct financial loss**, **legal proceedings** or **losses** have been notified to **us** during the relevant **policy period** and prior to the date of cancellation, no refund of **premium** shall be made to the **named insured**.

#### Change in Circumstances

You must tell us immediately if there is a material:

- a) Increase in the risk insured; or
- b) Alteration of the risk insured.

Once you have told us of the change, we may then cancel the policy or alter the premium and/or terms of this policy.

If you fail to notify us about a change in the risk insured, we may:

- a) Declare this policy unenforceable; and/or
- b) Decline any subsequent claim either in whole or in part.  
These actions will be taken from the date you knew, or ought to have known, of the increase or alteration in the risk insured.

*For the avoidance of doubt, information is material where we would have made different decisions about either:*

- i. Accepting your insurance, or*
- ii. Setting the terms of your insurance,*

*if we had known that information. If in doubt, we suggest you notify us anyway.*

#### Changes in The Policy

No change in this **policy** will be valid unless agreed in writing by **us** nor shall the requirements of this **policy** be deemed to be waived unless **we** agree in writing.

#### Compliance

**You** shall comply with all statutory requirements concerning the inspection of passenger lifts and steam pressure apparatus.

#### Cross Liability

If the **insured** comprises more than one party, **we** will provide indemnity to each in the same manner and to the same extent as if a separate policy had been issued to each, provided that **our** total liability for liability sustained by any or all of the **insured's** shall not exceed the **limit of liability** stated in the **policy schedule**.

#### Currency

All amounts under this **policy** are expressed and payable in New Zealand dollars. If judgment is given, settlement is made or other element of **loss** or under this **policy** is stated in a currency other than New Zealand dollars, payment under this **policy** will be made in New Zealand dollars at the cash rate of exchange for the purchase of New



Zealand dollars by the Reserve Bank of New Zealand on the date the final judgment is reached or in the event of a settlement, the date upon which the amount of the settlement is agreed upon.

Enforceability,  
Construction and  
Conformance to  
Statute.

- a) If any provision contained in this **policy** is, for any reason, held to be invalid, illegal or unenforceable in any respect, it is hereby deemed to be severed and to have no effect on any other valid, legal and enforceable provision of this **policy**.
- b) If any provision contained in this **policy** is for any reason held to be invalid, illegal or unenforceable, it will be construed by limiting it so as to be valid, legal and enforceable to the extent compatible with applicable law.
- c) Any provisions of this **policy** which are in conflict with the **statutes** or **regulations** of the state or country wherein this **policy** is issued are hereby amended to conform to such **statutes** or **regulations**.

Fraud

If any **claim** under this **policy** is in any respect fraudulent or if any fraudulent means or devices are used to obtain any benefit under this **policy**, or if any **loss**, destruction or damage be occasioned by wilful act or with the **insured's** connivance, all benefit under this **policy** shall be forfeited.

Governing Law

Any interpretation of this **policy** relating to its construction, validity or operation shall be made in accordance with the laws of New Zealand. The parties agree to submit to the exclusive jurisdiction of the New Zealand courts.

GST

Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:

- a) All **limits of liability** exclude GST; and
- b) All **sub-limits** exclude GST; and
- c) All **retentions** include GST; and
- d) GST will be added, where applicable, to claim payments.

Headings and Titles

The descriptions in the headings and titles of this **policy** are solely for reference and convenience and do not lend any meaning to this **policy**. Words in bold typeface have special meaning and are defined in this **policy**. Words and expressions in the singular shall include the plural and vice versa. Words that are not specifically defined in this **policy** have the meaning normally attributed to them.

Inspection

**We** shall be permitted but not obligated to inspect **your** property and operations at any time. Neither **our** right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of **you** or others, to determine or warrant that such property or operations are safe. **We** may examine and audit **your** books and records at any time during the **policy period** and extensions thereof and within three years after the final termination of this insuring agreement, as far as they relate to the subject matter of this insurance.

**We** may give **you** reports on the conditions that **we** find. **We** may also recommend changes. **We** do not, however, undertake to perform the duty of any person or organisation to provide for the health or safety of **your employees** or the public. **We** do not warrant the health and safety conditions of **you** or **your premises** or operations or represent that **your premises** or operations comply with laws, **regulations**, codes or standards.





Material Facts	<p>The truth of any statements and answers in any:</p> <ul style="list-style-type: none"><li>a) <b>claim</b> form or communication with us to provide any further information regarding the claim; or</li><li>b) proposal or underwriting information provided for the purpose of obtaining this insurance or any renewal or extension thereof,</li></ul> <p>given to <b>us</b> by <b>you</b> or on <b>your</b> behalf shall be conditions precedent to <b>our</b> liability to make payment under this <b>policy</b>.</p>
New Zealand Jurisdiction	<p>The law of New Zealand applies to disputes about this policy and the New Zealand Courts have exclusive jurisdiction.</p>
Non Accumulation	<p>Regardless of the number of years this <b>policy</b> shall continue in force, the number of <b>premiums</b> paid and irrespective of whether it is or may be renewed, the limits of liability as specified in the <b>policy schedules</b> shall not accumulate from year to year or from <b>policy period to policy period</b>.</p>
Other Insurance	<p>If at the time of any <b>claim</b> or <b>occurrence</b> arising under this <b>policy</b>, there is other valid and collectable insurance covering all or part of the same <b>loss</b>, the insurance under this <b>policy</b> shall be excess insurance over and above the amount of liability covered under such other <b>policy</b> of indemnity or insurance and the limits of liability under this <b>policy</b> shall be reduced by an amount equal to the limits of liability afforded under such other <b>policy</b>.</p>
Policy Purchase	<p>In providing cover to the <b>insured</b>, <b>we</b> have relied upon all the information and documentation submitted to <b>us</b> in connection with the underwriting of this <b>policy</b> or any prior <b>policy</b> of which this <b>policy</b> is a renewal or a replacement or which it succeeds in time. Those documents and information form the basis of cover and shall be considered incorporated into and a part of this <b>policy</b>.</p>
Reasonable Care	<p><b>You</b> must take reasonable care at all times to avoid circumstances that could result in a claim. <b>Your</b> claim will not be covered if <b>you</b> are reckless or grossly irresponsible.</p>
Reference to Statute	<p>In this <b>policy</b> references to any statutory provision are to be construed as references to that statutory provision as amended, supplemented, re-enacted, or replaced from time to time and are to include any orders, <b>regulations</b>, instruments or other subordinated legislation made under or deriving validity from that statutory provision</p>
Severability – Proposal	<p>In granting cover under this <b>policy</b> <b>we</b> have relied upon the declarations and statements which are contained in or constitute the written proposal form or statement of facts together with its attachments and the other information supplied forming part of this <b>policy</b>.</p> <p>Such written proposal form or statement of facts together with its attachments and the other information supplied for coverage shall be construed as a separate proposal form for coverage individually submitted by each <b>insured person</b>.</p>
Severability – Conduct	<p>For the purpose of determining the applicability of the conduct exclusion, the <b>wrongful acts</b>, criminal, fraudulent, wilful or malicious act, error or omission, or any intentional or</p>



knowing violation of **statute** or law, or knowledge possessed by any **insured person** shall not be imputed to any other **insured person**.

#### Subrogation

Once **we** have accepted any part of **your** claim under this policy, **we** may assume **your** legal right of recovery. If **we** initiate a recovery **we** will include **your excess**, and any other uninsured **losses** suffered by **you**. Where **we** do this, **you** agree to pay **your** proportional share of the recovery costs, and subsequently the proceeds of the recovery will be shared on the same proportional basis, except that **we** will reimburse **your** excess first.

**You** must fully co-operate with any recovery process. If **you** do not, **we** may recover from **you** the amount paid in relation to the claim.



## General Definitions:

accidental	Means unexpected and unintended by <b>you</b> .
aircraft	Means a vehicle designed to be used primarily in the air and to be supported by the dynamic reaction of the air upon the vehicle's wings or rotor-blades, and/or by the vehicle's buoyancy in the air. For the purposes of this definition the term aircraft includes missiles, spacecraft and the ground support or control equipment used therewith.
aircraft products	Means: <ul style="list-style-type: none"><li>a) <b>Aircraft</b> and any ground support or control equipment used therewith;</li><li>b) Any insured product furnished by the <b>insured</b> and installed in <b>aircraft</b> or used in connection with <b>aircraft</b>;</li><li>c) Any tooling used for the manufacture of (a) or (b) above;</li><li>d) Any ground handling tools and equipment used in connection with (a) or (b) above including training aids, navigational aids, instruction or manuals;</li><li>e) Blueprints, engineering or other data furnished by the <b>insured</b> in connection with (a), (b), (c) or (d) above;</li><li>f) Any advice, service and/or labour furnished by the <b>insured</b> in connection with (a), (b), (c), (d) or (e) above.</li></ul>
bodily Injury	Means death, injury, sickness or disease or death sustained by a person resulting from such injury, sickness or disease and shall include mental injury, mental anguish and shock.
business	Means all usual activities and operations of the <b>named insured</b> as described in the <b>policy schedule</b> and includes: <ul style="list-style-type: none"><li>a) The ownership, tenancy or occupation of <b>premises</b> of the <b>named insured</b>;</li><li>b) Private work carried out with the consent of the <b>named insured</b> for any <b>executive</b>, partner or senior official of the <b>named insured</b> by an <b>employee</b>;</li><li>c) The provision or management of canteen, social or sports organisations for the <b>named insured's employees</b>; and</li><li>d) The provision of the <b>named insured's</b> own internal fire, first aid, medical, security and ambulance services.</li></ul>
claim	Means any: (i) written complaint, proceeding or arbitration seeking damages or non-monetary relief; (ii) criminal charge; and (iii) official, written notice or other demand in connection with an investigation. For the general liability insuring clause, claim means a written demand, notice or other written communication received by the <b>insured</b> seeking a remedy and/or alleging liability or responsibility on the <b>insured's</b> part for an <b>occurrence</b> covered by this <b>policy</b> .
company	Means the <b>named insured</b> .
continuity date	Means the date specified in the <b>schedule</b> .



defence costs	Means reasonable and necessary fees, costs and expenses incurred by or with the prior written consent of the <b>insurer</b> in the defence, investigation (by or on behalf of any <b>insured</b> ), adjustment, settlement or appeal of any <b>claim</b> against an <b>insured</b> for any management liability, personal injury (employers liability only), or <b>statutory liability</b> .
electronic data	Means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
employee	Means any past, present or future full-time, part-time, seasonal and temporary employees who are not <b>executives</b> , auditors, consultants, secondees or agents.  For the General Liability insuring clause, employee includes:  a) Any person hired or borrowed by the <b>named insured</b> from another employer under an agreement by which the person is deemed to be employed by the <b>named insured</b> ;  b) Any person under a work experience or similar scheme while engaged and working under the direction and control of the <b>named insured</b> in connection with and in the course of the <b>business</b> .
event	Means any act or omission within the <b>territorial limits</b> which may result in the violation of a <b>statute</b> .
excess	Means the first amount of any loss or claim that you are responsible for, and for which this <b>policy</b> does not respond.
executive	Means any natural person who is a past, present or future:  (i) duly elected or appointed director or trustee (other than a trustee of an Insolvent entity);  (ii) executive <b>officer</b> or senior manager; or  (iii) any other person with duties equivalent to those of the positions listed in (i) or (ii) above.
executive liability	Means liability: (i) for any <b>wrongful act</b> of any <b>executive</b> or any <b>employee</b> of any <b>company</b> ; or (ii) arising solely from an <b>insured person's</b> status as an <b>executive</b> or <b>employee</b> of a <b>company</b> .
grounding	Means the withdrawal of one or more <b>aircraft</b> from flight operations or the imposition of speed, passenger or load restrictions on such <b>aircraft</b> , by reason of the existence of or alleged or suspected existence of any defect, fault or condition in such <b>aircraft</b> or any part thereof sold, handled or distributed by the <b>insured</b> or manufactured, assembled or processed by any other person or organisation according to the <b>insured's</b> specifications, plans, suggestions, orders or drawings or with tools, <b>machinery</b> or other equipment furnished to such persons or organisations by the <b>insured</b> , whether such <b>aircraft</b> so withdrawn are owned or operated by the same or different persons, organisations or corporations.  A <b>grounding</b> will be deemed to commence on the date of an <b>occurrence</b> which discloses such condition or on the date an <b>aircraft</b> is first withdrawn from service on account of such condition, whichever occurs first.
incidental contracts	Means:  a) Any written agreement for lease of real or personal property which does not impose upon the <b>named insured</b> :



- i) An obligation to insure such property; or
  - ii) Any liability regardless of fault;
- b) Any written contract with any entity for the supply of water, gas or electricity but only to the extent of indemnifying any such entity in respect of liability arising out of the **business** other than contracts for the performance of work or provision of services by the **named insured**.

injury

Means a **bodily injury** to an **insured person** resulting from an accident caused by violent, external and visible means and occurring solely and directly and independently of any other cause including any pre-existing physical or congenital, provided the injury:

- a) Occurs on or after the **insured person's** inception date of individual insurance, and
- b) Results in any of the **events** specified in the **schedule** within 12 calendar months from the date of such injury.

insured / you / your

Depending on the context in which it is used in this **policy**, means:

- a) The **named insured** as listed in the **policy schedule**;
- b) An **insured person**;

For General Liability, in addition to a) and b) above, also means:

- c) If the **named insured** is an individual, the **named insured's** spouse, but only with respect to the conduct of a **business** of which the **named insured** is the sole owner;
- d) If the **named insured** is an individual and dies, the **named insured's** legal representative but only with respect to the legal representative's duties in administering or undertaking the **named insured's business**;
- e) The **named insured's** partners, **executives**, **employees**, shareholders or volunteers while acting within the scope of their duties on behalf of the **named insured's business**;
- f) Any person or organisation to whom the **named insured** is obligated by a written **insured contract** to provide insurance such as is afforded by this **policy**, but only with respect to their liability arising out of operations conducted by the **named insured** or on their behalf and not to any greater extent than required by the contract or agreement; and
- g) Any office bearer or member of social and/or sporting clubs formed with the written consent of the **named insured** in respect of **claims** arising from duties connected with activities of any such club. Cover shall not apply to personal **injury** to or **property damage** of any participants of any game, match, race, practice or trial.

insurer / we / us / our

Means AIG Insurance New Zealand Limited.

legal proceedings

Means **litigation**, arbitration, mediation, adjudication or any other process of dispute resolution.

Insured person

Means any **executive** or any **employee** of any **company** and any **outside executive**

limit of liability

Means the amount specified in the **schedule**.



litigation	Includes, but is not limited to, any civil, criminal, administrative or regulatory proceeding as well as any official investigation, examination, inquiry, arbitration or adjudication.
loss, losses	<p>Means:</p> <ul style="list-style-type: none"><li>(i) compensatory damages; and</li><li>(ii) legal costs and expenses of a plaintiff; and</li><li>(iii) penalties;</li><li>(iv) punitive and exemplary damages (for the employers liability insuring clause and general liability extension only)</li></ul> <p>That any <b>insured person</b> is legally obligated to pay under the terms of: (a) a final judgment entered against any <b>insured</b>; or (b) a settlement negotiated by or pre-approved in writing by the <b>insurer</b>.</p> <p><b>Loss</b> includes <b>defence costs</b>, but does not include: (i) fines or penalties (with the exception of any penalties under iii) above); (ii) taxes; (iii) employment-related compensation or benefits; (iv) internal or overhead expenses of any <b>insured person</b> or any <b>company</b>; (v) the cost of complying with non-monetary damages or relief; (vi) matters which may be deemed uninsurable under applicable law; or (vii) punitive and exemplary damages.</p>
machine, machinery	Means any contrivance for the conversion and direction of motion or energy, or for the performance of any electronic process, and includes any protective device in connection with that contrivance.
medical persons	Means any medical doctor, medical nurse, dentist and first aid attendant.
mobile mechanical plant or machinery	Means any <b>vehicle</b> which has attached as an integral part of such <b>vehicle</b> any equipment for mechanical digging, scraping, grading, slashing, mowing, drilling, lifting or levelling, whilst such equipment is being used for the purpose for which it was designed.
named insured	Means the entity specified in the <b>schedule</b> .
occurrence	<p>Means an <b>event</b>, including continuous or repeated exposure to substantially the same general conditions, which results in personal <b>injury</b> or <b>property damage</b> neither expected nor intended from the <b>insured's</b> standpoint.</p> <p>All <b>events</b> of a series consequent on or attributable to one source or original cause shall be deemed one <b>occurrence</b>.</p>
officer	Means any <b>employee</b> who is concerned in, or takes part in, the management of the <b>company</b> regardless of the name that is given to their position.
other property	Means other property more particularly described in the <b>schedule</b> .
penalty, penalties	Means any fine or other monetary penalty or costs assessed for which <b>you</b> may be liable following a Court determination under a <b>statute</b> that <b>you</b> should be convicted of any offence,



or should pay any **penalty** to the Crown, except where it is illegal to insure a fine or other monetary **penalty** or costs under a **statute**.

personal injury  
(Employers Liability)

Means, for the Employers Liability insuring clause:

- a) **Bodily injury**, sickness or disease including death resulting from **bodily injury**, sickness or disease; and
- b) Disability shock, mental anguish or **injury**; sustained by an **employee** arising out of or in the course of their employment with the **named insured** within the **territorial limits**.

For the purposes of this **policy** disease shall be sustained when the **employee** is first exposed to conditions in New Zealand out of which the disease being the subject of the **claim** arose.

personal injury (General Liability)

Means, for the general liability insuring clause:

- a) **Bodily injury**;
- b) False arrest, false imprisonment, wrongful eviction, wrongful detention, malicious prosecution and humiliation;
- c) Libel, slander, defamation of character or invasion of privacy; and
- d) 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.

policy

Means this policy together with any **schedule** and endorsement issued by the **insurer** attached or intended to be attached to it.

policy period

Means the policy period specified in the first issued **schedule** or if renewed the policy period specified in the renewal **schedule**, or any shorter period arising as a result of cancellation of this policy.

pollutant (s)

Means but is not limited to any solid, liquid, biological, radiological, gaseous or thermal irritant or contaminant whether occurring naturally or otherwise, including but not limited to, smoke, vapour, soot, fibres, mould, spores, fungus, germs, fumes, acids or alkalis of any sort, chemicals and waste. Waste includes but is not limited to, material to be recycled, reconditioned or reclaimed.

premises

Means

- a) The premises specified in the **schedule**; and
- b) The interior portion of any building or property owned or occupied by the **company** as a place to conduct its **business**.

premium

Means the annual premium in effect immediately prior to the end of the **policy period**.

products

Means any goods or products (after they have ceased to be in the **insured's** possession or under the **insured's** control) which is or is deemed (whether by law or otherwise) to have been manufactured, constructed, grown, extracted, treated, imported, exported, produced, processed, assembled, erected, installed, repaired, serviced, sold, supplied or distributed by the **insured**. Insured products includes any packaging or containers, designs, formulae or specifications thereof, directions, instructions or advice given or omitted to be given in connection with such things other than a **vehicle** or vending **machine**.



products hazard	Means personal <b>injury</b> or <b>property damage</b> arising out of the <b>insured's products</b> or reliance upon a representation or warranty made at any time with respect thereto, but only if the personal <b>injury</b> or <b>property damage</b> occurs away from <b>premises</b> owned by, leased to, rented to or occupied by the <b>insured</b> and after physical possession of such products has been relinquished to others.
property damage, damage	Means any of the following: a) <b>accidental</b> physical loss or <b>accidental</b> physical damage to any tangible property; or b) <b>accidental</b> loss of use of any tangible property that has not suffered physical loss or physical damage provided such loss of use arises out of physical damage to, or destruction or loss of other tangible property.
regulations	Means building or other regulations made under or framed in pursuance of any Act of Parliament or regulation or by-law of any local authority.
retroactive date	Means the date specified in the <b>schedule</b> .
schedule	Means the current schedule of insurance which has been numbered and issued by or on behalf of the <b>insurer</b> .
site	Means any parcel of land owned or occupied by the <b>insured</b> .
statute	Means any Act of the New Zealand parliament other than an excluded Act. Statute also includes any amendment to or re-enactment of those Acts, and any <b>regulations</b> or other subordinate legislation made under those Acts.
statutory liability	Means liability for penalties for an <b>event</b> .
sub-limit	Means the amount specified in the <b>schedule</b> . Any specified sub-limit forms part of, and is not payable in addition to, the <b>limit of liability</b> .
territorial limits	Means anywhere in New Zealand.
terrorism	Means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organisation, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.  Terrorism shall also include any act which is verified or recognised by the government of any country in which the <b>insured</b> operates or exports products into, as an act of terrorism.
vehicle	Means any type of <b>machine</b> on wheels or on caterpillar tracks made or intended to be propelled other than by manual or animal power.







War	Means war, whether declared or not, or any war-like activities including use of military force by any sovereign nation to achieve economic, geographic, nationalistic, political, racial, religious or other ends. War includes any act of war, civil war, invasion, insurrection, and revolution, use of military power or usurpation of government or military power.
Watercraft	Means any vessel or watercraft made to or intended to float on or in or travel on or through or under water.
Wrongful Act	Means any actual or alleged wrongful act, error or omission by any: <ul style="list-style-type: none"><li>(i) <b>executive</b> of a <b>company</b>;</li><li>(ii) <b>employee</b> of a <b>company</b>; or</li><li>(iii) <b>company</b>.</li></ul>



Bring on tomorrow

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