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Welcome to QBE Insurance and thank you for trusting us with your insurance.

QBE has been committed to New Zealand and its commerce since 1888. We are Australasia's largest international insurance and reinsurance group and have specialist staff operating all over the globe, providing insurance to clients in over 140 countries. Our standing in the insurance marketplace has been achieved through consistent delivery of quality service to both our brokers and policyholders.

This is your General Liability Policy document, which should be read in conjunction with your Policy Schedule. Together, they form your contract of insurance and tell you what you are, and are not, insured for.

We want your experience with QBE Insurance to be the best. To allow us to make your claims experience fast and easy, it is important that you provide us with all the information that could influence our decision about your insurance. You need to tell either QBE or your broker about facts known to you as well as those facts you become aware of, which you could have been reasonably expected to know about. If you are in any doubt as to whether or not a fact may be material to your insurance, you can discuss this with QBE or your broker who will guide you.

By not telling us something that it was your duty to tell us it may mean that your claim may not be accepted or an entitlement under the policy could be reduced.

If you need help understanding any aspect of your insurance cover, please contact your insurance broker.



General Liability Policy

In consideration of the payment of the premium to QBE Insurance (Australia) Limited ('QBE') and in reliance on the written proposal, declaration and any other underwriting information provided, which will be deemed to be incorporated into and to be the basis of this Policy, QBE will indemnify the Insured as follows.

Insuring clauses

1. Public and products liability

Subject to the Policy terms, QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay as Damages in respect of Personal Injury or Property Damage happening during the Period of Insurance within the Policy Territory and caused by an Occurrence in connection with the Business of the Insured.

2. Limit of indemnity

QBE's maximum liability in respect of any claim, or any series of claims, arising out of one Occurrence, or in the aggregate during the Period of Insurance in respect of an Occurrence involving the Insured's Products, will not exceed the Limit of Indemnity stated in the Policy Schedule, or the sub-limit in any applicable Automatic Coverage Clause. All Personal Injury or Property Damage in respect of continuous or repeated exposure to substantially the same general conditions will be construed as arising out of one Occurrence,

Provided that:

- 2.1 immediately that QBE has paid the Limit of Indemnity or the sub-limit in any applicable Automatic Coverage Clause in respect of any judgment or settlement, its liability in relation to Costs and Expenses will cease;
- 2.2 if a payment exceeding the Limit of Indemnity has to be made to dispose of a claim, QBE's liability in relation to Costs and Expenses will be limited to the same proportion as the Limit of Indemnity bears to the amount required to dispose of the claim.

3. Costs and expenses

In addition to the applicable Limit of Indemnity or sub-limit in any applicable Automatic Coverage Clause, QBE will pay Costs and Expenses necessarily and reasonably incurred in relation to a claim against the Insured for which there is cover under this Policy, irrespective of whether or not the Insured is found legally liable.

4. Excess

The amount shown in the Policy Schedule, or in any applicable Automatic Coverage Clause, as the Excess will be borne by the Insured in respect of each and every claim, or series of claims, arising out of one Occurrence.

A single Excess will apply to a claim where indemnity may be payable under the Insuring Clause or any applicable Automatic Coverage Clause, or an endorsement to the Policy, with the Excess to apply being the highest Excess of the sections of the Policy that are applicable.

Automatic coverage clauses

To be read in conjunction with the Insuring Clauses above, and subject to the Policy terms. The following sub-limits and Excesses apply unless there is a different sub-limit or Excess shown in the Policy Schedule. The sub-limits are included in, are not in addition to, and may be less than, the Limit of Indemnity in the Policy Schedule.

1. Advertising liability

QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay as Damages in respect of claims for Advertising Injury happening during the Period of Insurance in connection with the Business of the Insured,

Provided that:

- 1.1 QBE will not indemnify the Insured for any claim in respect of or alleging Advertising Injury arising out of:
 - 1.1.1 statements made at the Insured's direction with knowledge that such statements are false
 - 1.1.2 the failure of performance of contract, provided that this Exclusion will not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract
 - 1.1.3 any incorrect description of the Insured's Products or services
 - 1.1.4 any mistake in advertised price of the Insured's Products or services
 - 1.1.5 the failure of the Insured's Products or services to conform with advertised performance, quality, fitness or durability
 - 1.1.6 liability incurred by the Insured if the Business of the Insured is advertising, broadcasting, publishing or telecasting.
- 1.2 A Limit of Indemnity of NZD 1,000,000 any one Period of Insurance will apply;
- 1.3 An Excess of NZD 1,000 will apply.

2. Business advice or service

Notwithstanding Exclusion 17 (Professional liability), QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay as Damages in respect of Personal Injury or Property Damage arising out of an error or omission in:

- 2.1 advice or services rendered by the Insured without charge
- 2.2 product training and/or demonstrations rendered by the Insured without charge
- 2.3 professional medical advice by Medical Persons employed by the Insured to provide first aid and other medical services on the Insured's premises.

3. Contractors or subcontractors' additional insureds

'Labour only' contractors or subcontractors employed by an Insured designated in Definition 7.1 and 7.2 (Insured) of the Policy are treated as employees of the Insured under Definition 7.3 (Insured) of this Policy,

Provided that:

- 3.1 this Automatic Coverage Clause only applies while such contractors or subcontractors are carrying out work for the Business of the Insured
- 3.2 such contractors or subcontractors are not otherwise insured under any other policy
- 3.3 the coverage provided under Condition 6 (Cross-Liability/Joint Insureds) does not apply to contractors or subcontractors insured under the Policy by this Automatic Coverage Clause.

4. Defective workmanship

Notwithstanding Exclusion 1 (Aircraft and watercraft), Exclusion 7 (Defective materials, design and workmanship), Exclusion 10 (Insured's products), Exclusion 18 (Property owned) and Exclusion 22 (Vehicles),

QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay for the costs arising out of:

- 4.1 Defective Workmanship; or
- 4.2 Property Damage to any property that the Insured is or has been working on; and happening during the Period of Insurance within the Policy Territory.

Provided that:

- 4.3 'Defective Workmanship' means:
The rectifying, remedying, removal, repair, alteration, treatment or replacement of the Insured's Products or part thereof which have proven to be defective, harmful or fail to perform the function for which they were sold, supplied, manufactured or installed.
- 4.4 a Limit of Indemnity of NZD 100,000 will apply in respect of all claims under this Automatic Coverage Clause during any one Period of Insurance;
- 4.5 an Excess of NZD 1,000 will apply;
- 4.6 QBE will not provide indemnity in respect of:
 - 4.6.1 Aircraft or hovercraft;
 - 4.6.2 any liability arising out of professional advice or service provided by the Insured or any error or omission connected therewith;
 - 4.6.3 any liability for the costs of remedying any defect in design, plan or specification.

5. Forest and Rural Fires Act

QBE will indemnify the Insured in respect of liability under the Forest and Rural Fires Act 1977 for:

- 5.1 costs and losses incurred during the Period of Insurance recoverable from the Insured under Section 43 of the Act
- 5.2 levies imposed by a Fire Authority and apportioned to the Insured during the Period of Insurance under Section 46 of the Act.

Subject to a claim being made under 5.1 and/or 5.2 above, QBE will indemnify the Insured for any costs incurred by any other person or entity in protecting their property from fire, where such costs arise out of the Business of the Insured.

This clause applies:

- 5.3 regardless of whether or not Property Damage has occurred
- 5.4 to Vehicles, notwithstanding Exclusion 22 (Vehicles)

Provided that:

- 5.5 a Limit of Indemnity of NZD 1,000,000 any one Period of Insurance will apply;
- 5.6 an Excess of NZD 500 will apply.

6. Goods on hook

Notwithstanding Exclusions 7 (Defective materials, design and workmanship) and 18 (Property owned), QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay as Damages for Property Damage to property while being lifted or lowered or moved or carried by any crane(s) owned, hired, or otherwise the responsibility of the Insured,

Provided that:

- 6.1 a Limit of Indemnity of NZD 250,000 any one Period of Insurance will apply;
- 6.2 an Excess of NZD 2,500 will apply.

7. Hazardous substances emergency

QBE will indemnify the Insured in respect of liability for a hazardous substances emergency under the Fire Service Act 1975, section 47C (2) and (3) for costs incurred during the Period of Insurance recoverable from the Insured;

Provided that:

- 7.1 a Limit of Indemnity of NZD 1,000,000 any one Period of Insurance will apply;
- 7.2 an Excess of NZD 1,000 will apply

8. Innkeepers liability

QBE will indemnify the Insured for all sums which the Insured will become legally liable to pay as compensation (including interest) as provided for under the Innkeepers Act 1962,

provided that:

an Excess of NZD 1,000 will apply.

9. Landlord's liability

QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay as Damages in respect of Personal Injury or Property Damage arising from the Insured's legal ownership, but not physical occupation, of any premises.

10. Lost or stolen keys

QBE will indemnify the Insured for costs reasonably and necessarily incurred in altering or replacing locks and their keys or combinations where keys or combinations giving access to properties, for which the Insured is responsible but doesn't own, hire, lease or rent, are lost, stolen or believed on reasonable grounds to have been duplicated without proper authority,

Provided that:

- 10.1 a Limit of Indemnity of NZD 250,000 any one Period of Insurance will apply;
- 10.2 an Excess of NZD 1,000 will apply.

11. Mechanical plant liability and car park liability

Notwithstanding Exclusion 22 (Vehicles), QBE will indemnify the Insured in respect of Personal Injury or Property Damage:

- 11.1 arising from loading or unloading any Vehicle used by or on behalf of the Insured but not in the Insured's care, custody or control
- 11.2 arising from any Vehicle while it is being operated for its specialised function or purpose, and not as a Vehicle
- 11.3 relating to the operation or ownership of a car park including the parking of Vehicles by the Insured so as to cause damage to Vehicles within it (other than to Vehicles belonging to, or used by or on behalf of the Insured)
- 11.4 relating to any bridge, viaduct, weighbridge, road or anything beneath the Vehicle caused by vibration or by the weight of any Vehicle and/or its load, provided that any designated weight restrictions were not exceeded.

12. Product withdrawal costs

Notwithstanding Exclusion 24 (Withdrawal or repair of products), QBE will indemnify the Insured for up to eighty per cent (80%) of those costs reasonably incurred in the withdrawal or recall from use in the Policy Territory of the Insured's Products which have the same defect as a product that has already given rise to a claim in respect of which the Insured is entitled to indemnity under Insuring Clause 1 (Public and Products Liability) or any Automatic Coverage Clause,

Provided that:

- 12.1 a Limit of Indemnity of NZD 100,000 will apply in respect of all such withdrawals or recalls during any one Period of Insurance;
- 12.2 an Excess of NZD 1,000, inclusive of Costs and Expenses, will apply to each such withdrawal or recall.

13. Property in care, custody or control

Notwithstanding Exclusion 18 (Property owned), but subject to Exclusion 7 (Defective materials, design and workmanship), QBE will indemnify the Insured in respect of Property Damage to property, including employees' property, where the liability arises while the property is in the care, custody or control of the Insured,

Provided that:

- 13.1 real property, property owned by or premises leased or rented to or by the Insured is excluded
- 13.2 a Limit of Indemnity of NZD 500,000 any one Period of Insurance will apply;
- 13.3 an Excess of NZD 1,000 will apply.

14. Punitive or exemplary damages

Notwithstanding Exclusion 9 (Fines, penalties etc) and Definition 6 (Damages), QBE will indemnify the Insured in respect of punitive or exemplary damages awarded for Personal Injury in New Zealand,

Provided that:

- 14.1 any liability arising from trespass to the person, assault, battery, false imprisonment, malicious prosecution, sexual harassment or sexual abuse is excluded
- 14.2 any award of punitive or exemplary damages by any Court outside New Zealand is excluded
- 14.3 a Limit of Indemnity of NZD 2,000,000 any one Period of Insurance will apply;
- 14.4 an Excess of NZD 500 will apply.

15. Remotely piloted aircraft systems extension

Notwithstanding Exclusion 1 (Aircraft and watercraft), QBE will indemnify the Insured in respect of Personal Injury or Property Damage arising out of the Insured's operation of remotely piloted aircraft systems, unmanned aerial vehicles, unmanned aerial systems, drones and/or radio controlled helicopters in New Zealand.

Provided that:

- 15.1 The Insured complies with all applicable Civil Aviation Authority rules and/or regulations regarding the use of remotely piloted aircraft systems, unmanned aerial vehicles, unmanned aerial systems, drones and/or radio controlled helicopters weighing under 5 kilograms;
- 15.2 A Limit of Indemnity of NZD 1,000,000 any one Period of Insurance will apply;
- 15.3 An excess of NZD 1,000 will apply.

16. Tenant's liability

Notwithstanding Exclusion 18 (Property owned), QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay as Damages in respect of Property Damage to premises (including landlord's fixtures and fittings) leased or rented, but not owned, by the Insured.

17. Underground services

QBE will indemnify the Insured in respect of Personal Injury or Property Damage in New Zealand to existing underground services, cables, pipes or equipment,

Provided that:

- 17.1 prior to the commencement of any work, the Insured inquired of the relevant authority, corporation or company as to the location of such services
- 17.2 the Insured took all reasonable precautions to prevent Personal Injury or Property Damage
- 17.3 an Excess of NZD 5,000 will apply.

18. Vehicle or watercraft, equipment or machinery service or repair

Notwithstanding Exclusions 1 (Aircraft and watercraft), 7 (Defective materials, design and workmanship), 10 (Insured's products), 18 (Property owned) and 22 (Vehicles), QBE will indemnify the Insured in respect of Personal Injury or Property Damage in New Zealand arising from the service or repair by the Insured of any:

- 18.1 Vehicle or Watercraft not exceeding ten (10) metres in length, and/or its internal combustion engine, accessories or fittings (Watercraft being measured in length overall, being stem to stern, excluding any fixed or movable projections extending beyond these points); or
- 18.2 Equipment or machinery,

Provided that:

- 18.3 the Vehicle or Watercraft, equipment or machinery is not owned, hired, leased or rented by the Insured, and is or was in the care, custody or control of the Insured for the purpose of the service or repair
- 18.4 the cost of rectifying, repairing or replacing defective materials or remedying defective workmanship in respect of the actual part or parts worked on is excluded but resultant Property Damage arising from defective materials or workmanship is not excluded
- 18.5 a Limit of Indemnity of NZD 250,000 any one Period of Insurance will apply in respect of Property Damage to the Vehicle or Watercraft, equipment or machinery which is or has been in the care, custody or control of the Insured for service or repair
- 18.6 an Excess of NZD 1,000 will apply to Property Damage to the Vehicle or Watercraft which is or has been in the care, custody or control of the Insured for service or repair;
- 18.7 an Excess of NZD 2,500 will apply to Property Damage to equipment or machinery which is or has been in the care, custody or control of the Insured for service or repair.

19. Vibration or removal of support

QBE will indemnify the Insured in respect of Personal Injury or Property Damage in New Zealand arising from vibration, or removing, weakening or interfering with the support of land or buildings,

Provided that:

- 19.1 the land or buildings are not owned or occupied by the Insured
- 19.2 the Personal Injury or Property Damage arises from the actions of the Insured
- 19.3 an Excess of NZD 5,000 will apply.

20. Visits to the North American countries

Notwithstanding Exclusions 12 (North American countries) and 13 (North American exports), QBE will indemnify the Insured in respect of Personal Injury or Property Damage in the North American Countries arising solely out of the actions of non-resident directors, executives and salespersons temporarily visiting the North American Countries in the course of the Business of the Insured,

Provided that:

- 20.1 the Insured has no premises, branch or subsidiary operation in the North American Countries
- 20.2 any work performed in, on or in connection with the manufacture, assembly, repair, servicing, maintenance, amendment, alteration or enhancement to any of the Insured's Products is excluded
- 20.3 the ownership, possession, control or maintenance or use of any Vehicle or Watercraft is excluded
- 20.4 notwithstanding Insuring Clause 3 (Costs and Expenses), the Limit of Indemnity, inclusive of Costs and Expenses, any one Period of Insurance will be the Limit of Indemnity in the Policy Schedule.

21. Warrant of fitness

Notwithstanding Exclusion 17 (Professional liability), QBE will indemnify the Insured for all sums that the Insured will become legally liable to pay as Damages in respect of claims made against the Insured during the Period of Insurance and arising out of a negligent act, error or omission in connection with the Business,

Provided that:

- 21.1 for the purpose of this Automatic Coverage Clause, the 'Business' means:
 - 21.1.1 the inspection and certification of Vehicles for the issuing of a warrant of fitness or other inspection certificate as may be required by law; and
 - 21.1.2 'pre-purchase' or Vehicle appraisal services
- 21.2 a Limit of Indemnity of NZD 500,000 any one Period of Insurance will apply
- 21.3 an Excess of NZD 2,500 will apply
- 21.4 the coverage under this Automatic Coverage Clause does not extend to include the valuation of any Vehicle, motorcycle, Watercraft, motor and/or accessory of any type whatsoever
- 21.5 the Insured is licensed and qualified to issue a warrant of fitness or other inspection certificates as may be required by law.

Definitions

In this Policy, including any endorsements, unless specifically stated to the contrary:

1. 'Act of Terrorism' means:

An act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

2. 'Advertising Injury' means:

Liability arising out of one or more of the following:

- 2.1 defamation except arising out of defamatory statements or disparaging material made or produced prior to the inception date of this Policy
- 2.2 infringement of copyright, title or slogan
- 2.3 unfair competition, misappropriation of advertising ideas or style of doing business
- 2.4 invasion of privacy committed or alleged to have been committed in any Advertisement and arising out of any advertising activities conducted by the Insured or on the Insured's behalf, in the course of carrying out the Business of the Insured.

For the purposes of this Definition, 'Advertisement' means any manner of communication given to the public including by way of any form of print media, publication, telecommunication, radio or television broadcast, electronic mail, internet, world wide web or exhibit.

3. 'Aircraft' means:

Any machine, craft or thing made or intended to fly or move in or through the atmosphere or space.

4. 'Business of the Insured' means:

- 4.1 The business stated in the Policy Schedule, which will include:
 - 4.1.1 the provision and management of lunch-room facilities, social, sports, welfare and similar organisations for the benefit of the Insured's employees
 - 4.1.2 Fire Brigade, first aid, medical and ambulance services
 - 4.1.3 property owners, lessors, lessees and tenants
 - 4.1.4 organisation of and participation in exhibitions, trade fairs, conferences and the like
 - 4.1.5 the organisation of charitable events or similar fundraising activities
 - 4.1.6 sponsorship of events, organisations, entities and individuals.
- 4.2 Any other activity that the Insured may undertake, provided that the Insured gives prior written notice to QBE and obtains QBE's written acknowledgement of coverage.

5. 'Costs and Expenses' means:

- 5.1 Any legal costs, disbursements, witnesses' costs, assessors' or adjusters' costs or experts' costs incurred by QBE, or by the Insured with QBE's prior written consent.
- 5.2 Any first-aid expenses incurred by the Insured arising from a Personal Injury.

6. 'Damages' means:

Any amount payable as compensation, including interest, legal costs, disbursements, witnesses' costs, assessors' or adjusters' costs or experts' costs.

7. 'Insured' means:

- 7.1 The Insured(s) named in the Policy Schedule
- 7.2 All subsidiaries incorporated in New Zealand, and any other organisation under the sole control of a named Insured and which it actively manages:
 - 7.2.1 as at the commencement of the Period of Insurance
 - 7.2.2 acquired or taken control of during the Period of Insurance, provided that a named Insured gives written notice to QBE and obtains QBE's acknowledgement of coverage within sixty (60) days of acquisition or taking control
- 7.3 Every director, officer, employee, partner or shareholder of an Insured designated in paragraphs 7.1 and 7.2 whilst acting within the scope of their duties as such, except in respect of any liability under the Companies Act 1993
- 7.4 Every principal, in respect of its vicarious liability arising solely out of the performance, by an Insured as defined under 7.1, 7.2 or 7.3, of any contract of work for such principal, but always subject to the terms of this Policy
- 7.5 Every office bearer or member of social and sporting clubs formed with the consent of the Insured (other than an Insured designated in paragraph 7.4 or 7.6) in respect of claims arising from the duties connected with the activities of any such club
- 7.6 Each joint venturer, co-venturer or joint lessee of a named Insured but only with respect to liability incurred as a joint venturer, co-venturer or joint lessee, provided that a named Insured gives written notice to QBE and obtains QBE's written acknowledgement of coverage for such joint venture, co-venture or joint lease.

8. 'Insured Products' means:

Any goods, products, including labels, instructions for use and advice and property after they have ceased to be in the possession of or under the control of the Insured, manufactured, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed by the Insured (including any container, other than a Vehicle).

9. 'Medical Persons' means:

Any legally qualified medical practitioner, legally qualified registered nurse, dentist or first-aid attendant.

10. 'North American Countries' means:

The United States of America and Canada, including those territories to which the legal jurisdiction of the United States of America or Canada extends or applies.

11. 'Occurrence' means:

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

12. 'Period of Insurance' means:

The period of insurance stated in the Policy Schedule.

13. 'Personal Injury' means:

Bodily injury including resulting death, illness or care, disability, shock, fright, mental anguish or mental injury, including such injury arising from the following by the Insured:

- 13.1 false arrest, wrongful detention, false imprisonment or malicious prosecution or humiliation
- 13.2 wrongful entry or eviction or other invasion of the right of privacy
- 13.3 assault and battery, provided that this was not committed by or at the direction of the Insured except for the purpose of preventing or eliminating danger to persons or property
- 13.4 trespass to the person.

14. 'Policy' means:

This document, the Policy Schedule and any endorsements issued by QBE.

15. 'Policy Schedule' means:

The current schedule issued by QBE.

16. 'Policy Territory' means:

Worldwide, unless otherwise stated in the Policy Schedule, and subject to Exclusions 12 (North American countries) and 13 (North American exports), and the limitations to New Zealand only in Automatic Coverage Clauses 12 (Product withdrawal costs), 14 (Punitive or exemplary damages), 17 (Underground Services), 18 (Vehicle or Watercraft, Equipment or Machinery Service or Repair) and 19 (Vibration or Removal of Support).

17. 'Pollutants' means:

Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

18. 'Property Damage' means:

- 18.1 physical injury to or destruction or loss of tangible property including resulting loss of use; or
- 18.2 loss of use of tangible property which has not been physically injured or destroyed.

19. '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 or other attachment made or intended to be drawn by any such machine, and includes its accessories, tools, specialised equipment and spare parts.

20. 'Watercraft' means:

Any vessel, craft or thing made or intended to float on or in, or travel on or through water.

Exclusions

QBE will not indemnify the Insured for any claim in respect of or alleging:

1. Aircraft and watercraft

Personal Injury or Property Damage arising out of the ownership, possession, control, operation, use, maintenance, service or repair, loading or unloading by the Insured of any:

- 1.1 Aircraft or hovercraft
- 1.2 Watercraft exceeding ten (10) metres in length. (Watercraft being measured in length overall, being stem to stern, excluding any fixed or movable projections extending beyond these points).

2. Aircraft products

Personal Injury or Property Damage arising out of any of the Insured's Products which, with the Insured's knowledge were, or were intended to be, incorporated into the hull, structure, machinery or controls of any Aircraft or aerial device.

3. Asbestos

Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to, or aggravated by asbestos in whatever form or quantity.

4. Building defects

Personal Injury or Property Damage arising out of:

- 4.1 the failure or alleged failure of any building or structure to meet or conform to the requirements of the New Zealand Building Code contained in the First Schedule of the Building Regulations 1992 or any applicable New Zealand Standard (or amended or substituted Regulation or Standard) in relation to leaks, water penetration, weatherproofing, moisture, or any effective water exit or control system; or
- 4.2 mould, fungi, mildew, rot, decay, gradual deterioration, micro-organisms, bacteria, protozoa or any similar or like forms, in any building or structure.

5. Contractual liability

Liability assumed by the Insured under any contract or agreement, except to the extent that the Insured would have been liable even if there had been no contract in existence. But this Exclusion will not apply to liability pursuant to any:

- 5.1 lease or hire of real or personal property
- 5.2 representation or warranty of fitness or quality in respect of the Insured's Products, or a representation or warranty that work performed by or on behalf of the Insured will be done in a workmanlike manner
- 5.3 contracts or agreements noted in the Policy Schedule.

6. Defamation

Liability arising out of libel or slander where any statement is made at the Insured's direction with knowledge that such statement is false.

7. Defective materials, design and workmanship

Liability for the cost of:

- 7.1 rectifying, repairing or replacing defective materials
- 7.2 remedying any defect in any design, plan or specification
- 7.3 remedying defective workmanship or correcting or improving any work undertaken by the Insured.

However, subject to the Policy terms, QBE will indemnify the Insured for resultant Property Damage arising from defective materials, design or workmanship.

8. E-commerce

- 8.1 Personal Injury or Property Damage arising, directly or indirectly, out of, or in any way involving the Insured's Internet Operations.

This Exclusion does not apply to Personal Injury or Property Damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

For the purposes of this Exclusion 'Internet Operations' means the following:

- 8.1.1 use of electronic mail systems by the Insured or the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organisation;
- 8.1.2 access through the Insured's network to the world wide web or a public internet site by the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organisation;
- 8.1.3 access to the Insured's intranet (meaning internal company information and computing resources) which is made available through the world wide web for customers of the Insured or others outside the Insured's organisation; and
- 8.1.4 the operation and maintenance of the Insured's website.

Nothing in this Exclusion will be construed to extend coverage under this Policy to any liability which would not have been covered in the absence of this Exclusion.

- 8.2 Property Damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
 - 8.2.1 the use of any computer hardware or software
 - 8.2.2 the provision of computer or telecommunication services by the Insured or on the Insured's behalf
 - 8.2.3 the use of computer hardware or software belonging to any third party, whether authorised or unauthorised, including damage caused by any computer virus.

9. Fines, penalties, etc

Liability arising for any fines, penalty, performance warranty or liquidated damages, punitive and/or exemplary damages.

10. Insured's products

Property Damage to the Insured's Products.

11. Loss of use

Loss of use of tangible property which has not been physically damaged or destroyed resulting from:

- 11.1 a delay in or lack of performance by or on behalf of the Insured of any contract or agreement; or
- 11.2 the failure of the Insured's Products to meet the level of performance, quality, fitness or durability that has been warranted or represented expressly or impliedly by the Insured.

12. North American countries

Personal Injury or Property Damage happening in the North American Countries or proceedings issued in respect of any Personal Injury or Property Damage in North American Countries, including any liability from or based on a settlement or arbitration in, or a judgment or order of a court in the North American Countries.

13. North American exports

Liability arising from any of the Insured's Products knowingly exported by the Insured (or exported by the Insured's agents or distributors with the Insured's knowledge) to the North American Countries, including any liability arising from or based on a settlement or arbitration in, or a judgment or order of a court in the North American Countries.

14. Offshore gas or oil platforms

Liability arising from work performed on or about any offshore gas or oil platform.

15. Personal injury to employees

- 15.1 Personal Injury arising directly or indirectly out of or in the course of employment with the Insured
- 15.2 An obligation on the Insured under any accident or workers' compensation legislation or any industrial award, employment contract, agreement or determination.

16. Pollution

Personal Injury or Property Damage, including Costs and Expenses incurred in the prevention, removing, nullifying or clean up, arising out of the discharge, dispersal, release or escape of Pollutants into or on land, the atmosphere, or any watercourse or body of water, unless the discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended from the standpoint of the Insured and takes place in its entirety at a specific time and place.

17. Professional liability

An error or omission in professional advice or service.

18. Property owned

Property Damage to any property owned by, or in the care, custody or control of the Insured.

19. Radioactivity

Any actual or alleged liability whatsoever for any claim or claims directly or indirectly caused by, contributed to or arising from:

- 19.1 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 19.2 the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof.

20. Sanctions

Liability arising where the provision of such cover, payment of such claim or provision of such indemnity would expose QBE to any sanction, prohibition or restriction under United Nations' resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America, Australia or New Zealand.

21. Terrorism

- 21.1 any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
- 21.2 any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism.

22. Vehicles

Personal Injury or Property Damage arising out of the ownership, possession, control, operation, use, maintenance, service or repair by or on behalf of the Insured of any Vehicle which is:

- 22.1 required by legislation to be registered and/or licensed and/or insured
- 22.2 being operated while in an unsafe condition
- 22.3 being operated by any person who is under the influence of any liquor, substance or drug. However, subject to the Policy terms QBE will indemnify the Insured provided that:
 - 22.3.1 this extension does not extend to indemnify the driver or operator of the Vehicle causing the Occurrence,
 - 22.3.2 the driving or operation of the Vehicle was without the knowledge or consent of the Insured or any director, officer, manager or supervisor of the Insured, and
 - 22.3.3 the Insured has not waived any rights of recovery against the driver or operator causing the Occurrence
- 22.4 insured, or in respect of which the Insured is insured under any other policy, even if the other insurance is not collectable because of a breach of Condition or applicable Exclusion.

23. War

Liability arising out of war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, military rising, rebellion, revolution, insurrection, military or usurped power, martial law or looting or pillaging in connection therewith, strike, lock-out, riot, civil commotion, mutiny, confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority or any act or condition incidental to any of the above.

24. Withdrawal or repair of products

The recall, including making any refund on the price paid, repair, withdrawal, inspection, removal, altering, treating, modification, replacement or loss of use of the Insured's Products or any property of which such products form a part, or of work undertaken by or for the Insured, if such products, property or work are withdrawn from the market or from use, because of any defect or deficiency which the Insured knew or has reason to suspect or because of any government or statutory ban, order or notice.

Conditions

1. Cancellation

- 1.1 The Insured may cancel this Policy at any time by giving notice to QBE. QBE will refund to the Insured the amount of the unexpired premium already paid on a pro-rata basis, subject to any minimum premium applicable.
- 1.2 QBE may cancel this Policy by sending at least thirty (30) days notice to the Insured in accordance with Condition 13 (Notices by QBE) paragraphs 13.2 and 13.3. QBE will refund the amount of any unexpired premium already paid on a pro-rata basis.

2. Claims

- 2.1 The Insured will not (without the prior consent in writing of QBE) make any admission, offer, promise or payment in connection with any Occurrence or claim. QBE will be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim, and the prosecution of any available counter-claim. QBE will have full discretion in the conduct of any proceedings in connection with any claim or available counter-claim.
- 2.2 The Insured will use its best endeavours to preserve all property, products, appliances and plant and all other things which may assist in the investigation or defence of a claim or in the exercise of rights of subrogation and, so far as may be reasonably practicable, no alteration or repair will be effected without the written consent of QBE until QBE will have had an opportunity of inspection and authorised such repairs.
- 2.3 In the event of an Occurrence, or the likelihood of an Occurrence, the Insured will promptly take, at its own expense, all reasonable steps to prevent Personal Injury or Property Damage from, arising or continuing out of the same or similar conditions, but such expense will not be recoverable from QBE.
- 2.4 The Insured will give all information, co-operation and assistance as QBE may require in the prosecution, defence or settlement of any claim, including any available counter-claim.

3. Claims notification

The Insured will advise in writing as soon as practicable and provide all information to QBE of any:

- 3.1 Occurrence or circumstances which might give rise to a claim under this Policy
- 3.2 notice of claim, writ, summons, proceedings, impending prosecution or inquest which might give rise to a claim under this Policy regardless of whether the Insured believes that:
 - 3.2.1 a claim will not in fact proceed
 - 3.2.2 any claim which, should it proceed, would fall below the applicable Excess
 - 3.2.3 any claim which, should it proceed, would be groundless.

4. Conditions precedent

Conditions 2 (Claims), 3 (Claims Notification), 8 (Fraud), 10 (Hot Work), 12 (Material Change) and 16 (Reasonable Care) are conditions precedent to the Insurer's acceptance of indemnity under this Policy and the Insurer will be entitled to avoid this Policy or reduce liability to the maximum extent permitted by law in the event of any breach of these conditions precedent.

5. Constructive notice/no waiver

- 5.1 Except as provided by statute, notice to any agent or broker or knowledge possessed by any agent, broker or other person will not constitute notice to QBE.
- 5.2 The terms of this Policy will not be waived or changed, except by written agreement with QBE.

6. Cross-liability/joint insureds

If more than one legal entity is insured under this Policy, each entity is covered in the same manner as though QBE had issued them with a separate policy.

If there is a claim against more than one entity in respect of the same Occurrence, only one Excess and one Limit of Indemnity will apply, regardless of the number of entities indemnified. Where the Limit of Indemnity is insufficient to fully indemnify all insured entities, it will apply in priority to the named Insured.

The coverage under this Condition does not apply to entities which are insured under this Policy by Definition 7.6 (Insured).

7. Discharge of liabilities

At any time, QBE will be entitled to pay to the Insured the balance of indemnity available up to the applicable Limit of Indemnity, or such lesser sum for which the claim can be settled. Upon such payment, QBE will be under no further liability to the Insured under this Policy, except for Costs and Expenses already incurred up until the time of payment.

8. Fraud

If any answers or statements in support of any claim, or in any information provided to obtain, amend or renew this insurance, are false in any way, QBE will not provide any indemnity to the Insured under this Policy.

9. Goods and services tax

Where, on receiving any indemnity payment under this Policy, the Insured is liable to pay tax under Section 5(13) of the Goods and Services Tax (GST) Act 1985 (or any re-enactment or substitute), QBE will indemnify the Insured for the cost of that tax. The indemnity under this clause is in addition to the applicable Limit of Indemnity.

10. Hot work

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

11. Inspection of property

QBE will be permitted, but not obligated to, inspect the Insured's property and operations at any reasonable time.

12. Material change

The Insured will give immediate notice to QBE of any material change to any of the facts or circumstances existing at the commencement of the Period of Insurance. QBE will be entitled to charge an additional premium.

13. Notices by QBE

- 13.1 Any notice given in writing by QBE to the first named Insured in the Policy Schedule, or to the broker through which the Insured arranged this Policy with QBE, will be deemed to be notice to each Insured.
- 13.2 Any notices by QBE may be effected by sending an email or letter to the last known contact address.
- 13.3 Any such notice will be deemed to have been received, if sent by email, at the time of transmission, and if sent by post, three (3) business days after the date of posting.

14. Other insurance

If the Insured is entitled to indemnity under any other insurance, this Policy will operate in excess of such other insurance, even if the other insurance policy has an insurance condition to similar effect.

15. Policy disputes

This Policy will be governed by the laws of New Zealand, whose courts will have jurisdiction in relation to any dispute.

16. Reasonable care

The Insured will take all reasonable steps to avoid the happening of any Occurrence and, in particular, will ensure that:

- 16.1 all employees are properly trained and supervised
- 16.2 every employee complies with all statutory obligations
- 16.3 there are proper safety systems, equipment, practices and procedures in place, and that all employees use and comply with them at all times
- 16.4 all plant is kept properly maintained.

17. Subrogation

- 17.1 If QBE makes any payment under this Policy to or on behalf of the Insured, whether in respect of any judgment, settlement, Damages or Costs and Expenses, QBE will be subrogated to all the Insured's rights of recovery.
- 17.2 The Insured will execute all papers and do all that is necessary to assist QBE in the full exercise of such rights, including prosecuting proceedings in the name of the Insured at QBE's expense.
- 17.3 If the Insured effects any recovery in respect of the claim, it will account to QBE for the full amount received.

18. Words

Words importing persons will include companies and other legal entities. The singular includes reference to the plural and vice versa, and reference to any gender includes all other genders.