Legal Expenses Insurance Policy
Commercial Legal Expenses Insurance

Policy Wording

This Policy is a contract between You (named in the Policy Schedule) and the Underwriters and is managed by Delta Insurance New Zealand Limited (hereafter referred to as Us, Our, We).

Provided the premium specified in the Policy Schedule has been paid in the required manner, the Underwriters shall provide the insurance specified in this Policy (which includes any attached Endorsements) and Policy Schedule during the Period of Insurance.
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Important Information

This document, the **Policy Schedule** and any **Endorsements** attached form **Your Policy**. This document sets out the conditions of the insurance between **You** and **Underwriters**. Please read this **Policy** carefully and if the coverage or benefits provided do not meet **Your** requirements or **You** do not comply with the conditions set out in this section, please return these documents as soon as practicable to the Insurance Intermediary who arranged this **Policy** on your behalf.

It is important that:

- **You** check that the Sections of Cover that **You** have requested are included in the **Policy Schedule**
- **You** check that the information **You** have given **Us** is accurate – please see the “**Information That You Provide to **Us**” further below
- **You** notify **Your** Insurance Intermediary as soon as practicable of any inaccuracies in the information that **You** have provided to **Us**
- **You** comply with **Your** duties under each Section of Cover for which **You** are insured, and under the terms and conditions of this **Policy** as a whole

**Information That You Provide to Us**

**We** are relying upon the information **You** provide to **Us**, either directly or through **Your** Insurance Intermediary, in deciding whether to provide **You** with this **Policy** and on what terms and at what premium.

If **You** become aware that any information **You** have given **Us** is not complete or accurate or **You** fail to notify **Your** Insurance Intermediary that the information **You** have provided **Us** is inaccurate or incomplete, and **We** establish that **You** deliberately or recklessly provided **Us** with false or misleading information, then **Underwriters** may treat this **Policy** as if it never existed and decline all claims.

If **We** establish that **You** carelessly provided **Us** with false or misleading information, then the cover and benefits under this **Policy** could be affected and **Underwriters** might, for example:

- Treat this **Policy** as if it never existed and return **Your** premium paid; and/or
- Cancel this **Policy** and refuse to pay any **Claim**; and/or
- Revise the premium; and/or
- Charge an additional premium; and/or
- not pay a **Claim** in full.

**We** will write to **You** via **Your** Insurance Intermediary if **Underwriters** are going to treat this **Policy** as if it never existed or need to amend the terms of **Your Policy**.

**How to Make a Claim**

If **You** need to notify a **Claim** or possible **Claim**, **You** should contact **Our** Claims Department as soon as practicable after **You** become aware of a cause, event or circumstance which has given or may give rise to a **Claim**, dispute or legal proceedings involving **You**.

Tel: +64 9 300 0165
Email: claims@deltainsurance.co.nz

Post: Delta Insurance New Zealand Ltd, PO Box 106 276, Auckland 1143.

You should provide Your Policy Number (which is listed on the Policy Schedule) and brief details of the circumstances. We will promptly send You a Notification Form for completion once contact is made and this must be returned to Us as soon as practicable.

If You encounter any issues with this process, You should contact Your Insurance Intermediary who sold You this Policy (whose contact details will appear on their correspondence sent to You). Your Insurance Intermediary will be able to assist You with making the claim and any further issues that may arise.

Fraudulent Claims

If You or any other person acting on Your behalf make any request for payment under this Policy knowing it to be fraudulent or false through concealment, misstatement or deliberative provision of false information, in any respect or if You ought to reasonably in the circumstances to know it to be fraudulent or false, or where there is collusion between any parties to any dispute or legal proceedings for which Legal Expenses cover under this Policy is being requested, then We may:

- cancel this Policy and not refund any premium;
- decline a Claim in full or in part; and/or
- recover any amounts paid in support of any false or fraudulent Claim.

Cancellation

You may cancel this Policy at any time by providing Us with written notice stating when such cancellation shall be effective, either directly or through Your Insurance Intermediary who arranged this Policy for You. We will refund the premium You have paid to Us less the amount of premium which relates to the time period under which You have been covered under this Policy, provided You have not made a Claim and post receipt of a No Claims Declaration by You. We may cancel this Policy by giving thirty (30) days written notice to You at Your last known address and to Your Insurance Intermediary. We will only do this for a valid reason, for example:

- Failure to pay the premium within 60 days after the Inception Date set out in the Policy Schedule; or
- Non-cooperation or failure to supply information or documentation upon request; or
- A change in risk occurring such that We are no longer able to provide You with insurance cover; or
- If You are placed in liquidation, receivership or administration or bankruptcy or if any application is made to the Court or meeting convened for any these purposes

If this Policy is cancelled for any reason, then, We will refund the premium You have paid less the amount of premium which relates to the time period under which You have been covered under this Policy, provided that You have not made a Claim and post receipt of a No Claims Declaration by You.

Complaints

We are dedicated to providing You with a first class service and Our wish is to ensure that all aspects of Your insurance are dealt with promptly, fairly and efficiently at all times. If You feel that We have not offered a first class service or You have any questions or concerns about this Policy or the handling of Your claim, in the first instance please contact:

Compliance Department

Delta Legal Expenses (10/19)
Underwriters will acknowledge Your complaint and attempt to resolve it within 10 business days, if Underwriters have all necessary information and have completed any investigation required. If further information or investigation is required, Underwriters will agree reasonable alternative timeframes with You.

In the unlikely event that this doesn't resolve the matter or You are not satisfied with the way Your complaint about this Policy has been dealt with, You can contact the Underwriter directly at:

Lloyd’s General Representative in New Zealand
C/O Hazelton Law
Level 3
101 Molesworth Street
P O Box 5639
Wellington, New Zealand
Tel: +64 4 472 7582
Email: scott.galloway@hazelton.co.nz

If Your complaint remains unresolved after this, You can refer the matter to the Insurance & Financial Services Ombudsman (IFSO). The IFSO provides free and independent dispute resolution services for consumers who have general insurance disputes. The contact details for the IFSO are:

Insurance & Financial Services Ombudsman
Free Phone: 0800 888 202
Telephone: + 64 4 499 7612
Fax: + 64 4 499 7614
Post: PO BOX 10-845, Wellington 6145, New Zealand
Email: info@ifos.co.nz

Telephone Legal Advice
You have access to commercial legal advice by calling the Delta Legal Line telephone number specified in the Insurance Schedule and quoting Your Policy Number shown in the Insurance Schedule.

You should seek legal advice from the Delta Legal Line:

• prior to carrying out any disciplinary procedure or action or suspension of an Employee;
• prior to dismissal of an Employee;
• prior to notifying an Employee of their intended retirement date or prior to retiring an Employee;

Delta Legal Expenses (10/19)
• prior to instituting a redundancy programme and prior to making an Employee redundant;

• upon notification formally or informally of a grievance from an Employee or ex-Employee;

• upon notification formally or informally of a complaint relating to discrimination, victimisation or harassment because of age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation;

• prior to any actual or proposed variation of the terms and conditions of employment that an Employee could reasonably consider to be adverse (including altering the hours or time or place worked or demotion or deduction from or reduction in an Employee’s remuneration);

• as soon as practicable if an Employee leaves their employment with or without written notice;

• upon receipt of an appeal from an Employee or ex-Employee against a decision made by a Court, tribunal or other similar body.

Failure to seek advice will not invalidate Your insurance coverage under this Policy, but could decrease Your prospects of a successful defence in any subsequent dispute or legal proceedings and Your ability to make a Claim.

Call recording

In the interest of monitoring the quality of advice and service, and where appropriate to ensure compliance with the terms and conditions under this Policy, conversations may be recorded. You agree that in all circumstances We have Your express permission to listen to any of these recordings and expressly authorise the Telephone Adviser to provide these recordings to Our Claims and Underwriting departments.

Definitions

Wherever words or phrases appear in bold type in this Policy, they will have the specific meanings described in this Definitions Section, unless otherwise shown in any Sections of Cover that apply as specified in the Policy Schedule. Any words used in this Policy that are in the singular shall include the plural and vice versa.

Acts of Parliament

All Acts of Parliament means any Act of the New Zealand Parliament, including any amendments, re-enactments, replacements or Statutory Regulations of such Act.

Any One Claim

All Claims or possible Claims arising from the same original cause, event or circumstance.

Appointed Representative

A lawyer, patent or trademark agent or other appropriately qualified person appointed to act for You in accordance with the terms of this Policy.

Business Description

As specified in the Policy Schedule.

Claim

A claim under this Policy for Legal Expenses.

Co-Insurance
The amount specified in the Policy Schedule that You must pay expressed as a percentage of Legal Expenses in respect of Any One Claim above any Excess specified in the Policy Schedule before Underwriters shall be liable to make any payment under this Policy.

Construction Contract
A contract to provide construction work as defined by the Construction Contracts Act 2002. (For the avoidance of doubt supply of a construction contract to a residential occupier will be deemed a Construction Contract for the purposes of this Policy).

Contracting Party
A person, firm or company domiciled within the Territorial Limits with whom You have a direct contractual relationship.

Due Date
The date monies owed to You first becomes due and payable.

Endorsement
Any changes to the terms and conditions of this Policy or Policy Schedule which form part of this insurance contract.

Employee
Any person who is employed by the Insured in connection with the Insured's Business and in respect of whose remuneration the Insured deducts pay-as-you-earn (PAYE) tax at source.

Excess
The amount specified in the Policy Schedule You must pay in respect of Legal Expenses in respect of Any One Claim before Underwriters shall be liable to make any payment.

Policy Schedule
The document showing details of the cover You have purchased.

Legal Expenses
Any professional fees, expenses and other disbursements reasonably incurred by the Appointed Representative with Underwriters’ prior written consent; and any costs awards made against You in any Court or tribunal proceedings or become liable to pay these costs under a settlement made with another party with Underwriters’ prior written consent, but excluding any costs which You may be ordered to pay by a Court for an offence under the Crimes Act 1961.

Limits of Our Liability
Our maximum liability under this Policy is limited to the amounts specified in the Policy Schedule for:

- Any One Claim; or
- All Claims notified during the Period of Insurance.

Minimum Sum in Dispute
The sum in dispute between You and the Contracting Party as specified in the Policy Schedule below which We shall not be liable to provide cover under this Policy.
Period of Insurance
As specified in the Policy Schedule.

Policy
The contractual terms and conditions of insurance coverage and benefits payable to You set out in this document, Policy Schedule, and any Endorsements.

Property
Land and/or buildings owned or occupied by You for which You are legally responsible.

Statutory Licence
A licence or certificate of registration issued under statute, statutory instrument or by a Government or Local Authority to You provided that this licence or certificate is necessary to engage in Your Business Description.

Territorial Limits
As specified in the Policy Schedule.

We / Us / Our
Delta Insurance New Zealand Limited, who manage this Policy on behalf of Underwriters.

You / Your
The company, firm, partnership or trading individual as specified in the Policy Schedule and if requested by You and agreed in writing by Us, also to include any Employee including director or partner, conditional on the same Appointed Representative acting for all parties insured under this Policy.

Conditions Precedent
You must comply with the following Conditions Precedent, unless We agree in writing to the contrary, before any contractual duty that Underwriters might have to You under this Policy arises.

1. Notification of Claims

It is a condition precedent to Underwriters' liability that We be notified by You in writing during the Period of Insurance and as soon as practicable after You are aware of any cause, event or circumstance which has given or may give rise to a Claim, dispute or legal proceedings involving You.

Where this notification has been given, We agree to treat any subsequent Claim in respect of the same cause, event or circumstance as notified as though the subsequent Claim had been notified during the Period of Insurance.

2. Our Consent

It is a condition precedent to Underwriters liability that Underwriters' consent to incur Legal Expenses must be obtained in writing prior to You incurring any Legal Expenses. This consent will be given by Us if You can satisfy Us that:

a) it is reasonable to incur Legal Expenses having regard to the proportionality between the remedy claimed and the Legal Expenses to be incurred and;

b) where You are pursuing a claim, there are reasonable prospects of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought; or
c) where You are defending a claim, the other party does not have reasonable prospects of proving Your legal liability.

If during the course of a Claim You cease to satisfy Us in respect of the applicable points a-c above, all future payments will cease in respect of Legal Expenses related to that Claim.

The decision to grant or withhold Our consent will be made on receipt of the following information:

- a fully completed insurance claim form; and
- the information and documentation We reasonably request; and
- a legal opinion from the Appointed Representative as to the applicable points a-c above; and
- any advice We may deem necessary to take.

With Your agreement, We may provide assistance in settling disputes or legal proceedings, the costs of which will be covered under this Policy subject to the payment of the Excess and Co-insurance within the Limits of Our Liability.

Underwriters may require You to obtain an opinion from Senior Counsel at Your expense assessing the merits of the subject matter of the Claim and any legal action. If based upon this opinion Underwriters are satisfied in respect of the applicable points a-c above the Legal Expenses in obtaining that opinion will be paid by Underwriters within the Limits of Our Liability.

In granting Our consent Underwriters undertake to pay You subject to the terms and conditions of this Policy and its Policy Schedule but this consent does not imply that all Legal Expenses will be paid. In particular Legal Expenses for matters that go beyond the immediate scope of the Claim shall be deemed by Underwriters to fall outside the insurance coverage provided by this Policy. Underwriters reserve the right to limit Our consent by time and/or financial amount of Legal Expenses and/or stage of proceedings to allow for a review of Underwriters continued consent.

If after Underwriters prior written consent has been granted it is shown the Claim has not been brought within the terms and conditions of this Policy and its Policy Schedule, Our consent will be withdrawn and no insurance coverage under this Policy shall be provided for this Claim. Underwriters shall be entitled to recover any Legal Expenses previously paid.

If You elect to proceed with the pursuit or defence of a dispute or legal proceedings to which Underwriters consent has not been granted because You have not satisfied applicable points a-c above, and if You are successful in this pursuit or defence, Underwriters will pay the Legal Expenses incurred after Underwriters consent had not been granted subject to the terms and conditions of this Policy.

3. Disclosure

It is a condition precedent to Underwriters liability that:

a) You must give the Appointed Representative and Us all necessary cooperation, assistance and information including a complete and truthful account of the facts of the Claim and all relevant documentation or other evidence in Your possession; and
b) You must provide, obtain or execute all documents as necessary and attend meetings or conferences as requested; and
c) You must instruct the Appointed Representative to provide Us with any information, documents or advice in connection with any Claim and the subject matter of any Claim even if privileged; and
d) You must instruct the Appointed Representative to provide Us with regular updates on the progress of the subject matter of any Claim and inform Us as soon as practicable if and when any circumstance adversely impacts the factors on which We granted Our consent.
The insurance coverage under this Policy may be withdrawn if You fail to co-operate with Our or the Appointed Representative’s requests or if You or the Appointed Representative fails to provide Us with any information in connection with any Claim or the subject matter of any Claim.

4. Offer of Settlement

It is a condition precedent to Underwriters liability that You must inform Us in writing as soon as an offer to settle the subject matter of the Claim is received and/or You propose to make an offer of settlement. In deciding whether to accept or reject any settlement offer, You must consider the Legal Expenses incurred or likely to be incurred and recovered.

No insurance coverage under this Policy shall be provided if You enter into any agreement to settle without Our prior written consent (this consent not to be unreasonably withheld) and Underwriters shall be entitled to recover any Legal Expenses previously paid.

If You reject an offer of settlement which Underwriters recommend that You accept, or You make an offer with which Underwriters do not agree, no further insurance coverage under this Policy shall be provided for the subject matter Claim.

Underwriters may at Our discretion decide to pay You the amount of damages that You are claiming or that are being claimed against You instead of paying You for Legal Expenses to pursue or defend the dispute or legal proceedings. Where Underwriters exercise this discretion Underwriters will cease to be liable for any further Legal Expenses for the subject matter Claim.
Sections of Cover

The Sections of Cover applicable to You are specified in the Policy Schedule.

Underwriters will only pay You for Claims where the dispute or legal proceedings are or would be within the Territorial Limits and the Claim is notified during the Period of Insurance and the dispute or legal proceedings are in connection with activities within the scope and extent of Your Business Description.

Section A – Property Disputes

WHAT IS COVERED

Underwriters agree to pay You for Legal Expenses incurred in any dispute or legal proceedings made by or brought against You provided You will suffer financial loss if You fail to pursue or defend the dispute or legal proceedings:

- Over the physical possession of the Property provided that all statutory and contractual notices have been correctly served by You; or
- Over the terms of a tenancy agreement between You and a Contracting Party relating to the use or maintenance of the Property; or
- The actual or alleged negligence, damage (including trespass) or nuisance to the Property other than with a tenant.

Section B – Data Protection

WHAT IS COVERED

Underwriters agree to pay You for Legal Expenses incurred in defending any dispute or legal proceedings brought against You regarding an alleged breach under the Privacy Act 1993 or unlawful disclosure of personal information.

Section C – Statutory Licence

WHAT IS COVERED

Underwriters agree to pay You for Legal Expenses incurred in:

- An appeal by You against the suspension, revocation, imposed alteration of or refusal to renew a Statutory Licence.
- An appeal by You against the service of a remedial or stop-work order under the Health and Safety at Work Act 2015

EXCLUSIONS TO SECTION C

WHAT WE DO NOT COVER

Underwriters shall not be liable to pay You in respect of Claims arising out of or in connection with any allegation relating to arising from:
• A suspension, revocation, alteration or refusal to renew a **Statutory Licence** which is imposed by an **Act of Parliament** or national or local government regulation or order; or
• Any costs incurred to comply with a notice or order; or
• Driving licences.

**Section D – Employee’s Breach of Restrictive Covenants**

**WHAT IS COVERED**

**Underwriters** agree to pay **You** for **Legal Expenses** incurred in pursuing legal proceedings against an **Employee** or **ex-Employee** to obtain the remedy of an injunction against that **Employee** or **ex-Employee** for their breach of an express restrictive covenant in their employment contract where the breach by the **Employee** or **ex-Employee** relates to or arises from:

• Soliciting **Your Employees**, or
• Soliciting **Your** customers or clients.

**EXCLUSIONS TO SECTION D**

**WHAT WE DO NOT COVER**

**Underwriters** shall not be liable to pay **You** for **Legal Expenses** incurred in respect of any **Claims** arising out of or in connection with individuals who before the inception of this **Policy** either ceased to be **Employees** or were working out their notice period (including where the **Employee** was on a period of gardening leave).

**SECTION E – Employment Disputes**

**WHAT IS COVERED**

**Underwriters** agree to pay **You** for **Legal Expenses** incurred by **You** in defending legal proceedings brought against **You** by an **Employee**, **ex-Employee** or prospective **Employee** in respect of their contract of employment with **You** or a breach of employment related legislation.

**You** should seek legal advice from the Delta Legal Line:

• Prior to carrying out any disciplinary procedure or action or suspension of an **Employee**; or
• Prior to dismissal of an **Employee**; or
• Prior to notifying an **Employee** of their intended retirement date or prior to retiring an **Employee**; or
• Prior to instituting a redundancy programme and prior to making an **Employee** redundant; or
• Upon notification formally or informally of a grievance from an **Employee** or **ex-Employee**; or
• Upon notification formally or informally of a complaint relating to discrimination, victimisation or harassment because of age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation; or
• Prior to any actual or proposed variation of the terms and conditions of employment that an **Employee** could reasonably consider to be adverse (including altering the hours or time or place worked or demotion or deduction from or reduction in an **Employee**’s remuneration); or
• As soon as practicable if an **Employee** leaves their employment with or without written notice; or
• Upon receipt of an appeal from an **Employee** or **ex-Employee** against a decision made by a Court, tribunal or other similar body.
Failure to seek advice will not invalidate Your insurance coverage under this Policy, but could decrease Your prospects of a successful defence in any subsequent disputes or legal proceedings and Your ability to make a Claim.

Section F – Commercial Contract Disputes

WHAT IS COVERED

Underwriters agree to pay You for Legal Expenses incurred in the pursuit or defence of any dispute or legal proceedings made by or brought against You in a contractual dispute or legal proceedings with a Contracting Party over a contract for the sale of goods or a contract for the hire of goods or a contract for the supply of a service within the meaning set out in the Sale of Goods Act provided that:

- Legal Expenses incurred in the pursuit of any dispute or legal proceedings shall be limited to seventy-five percent (75%) of the amount in dispute; and
- The amount in dispute exceeds the Minimum Sum in Dispute; and
- Where the contract is a Construction Contract the construction operations are carried out or are to be carried out by the Contracting Party on Your Property and the Construction Contract is for the repair or renovation of the Property and the repair and renovation of the Property is not part of Your Business Description; and
- Where the dispute or legal proceedings arise from an undisputed debt, You have exhausted all reasonable methods of recovery and the Appointed Representative recommends legal action.

Exclusions to Section F

WHAT WE DO NOT COVER

Underwriters shall not be liable to pay You in respect of Claims arising out of or in connection with:

- Contracts that provide or arrange credit, insurance, securities, guarantees or other financial products and financial services as defined in the Consumer Protection (Fair Trading) Act; or
- Contracts where the liability or right of recovery is incurred through Your agent or by assignment; or
- Franchise contracts; or
- Contracts of employment; or
- Any tenancy or licence to use any real property.

General Exclusions

WHAT WE DO NOT COVER

We shall not be liable to pay You for Legal Expenses incurred in respect of:

1. Your defence in civil legal proceedings arising from:
   a) Injury or disease including psychiatric injury and stress; or
   b) Loss, destruction or damage of or to property; or
   c) Alleged breach of any professional duty; or
   d) Any non-contractual wrongful act or infringement of a right (other than as specified in Section D Property Disputes if You are covered under that Section of Cover as specified in the Insurance Schedule); or
2. Any dispute or legal proceedings brought, made or commenced outside the Territorial Limits; or
3. Legal Expenses incurred without Our prior written consent or for a sum in excess of Our consent; or
4. Any Claim or possible Claim relating to or arising from any cause, event or circumstance occurring prior to or existing at inception of this Policy and which has or which You knew or ought reasonably to have known may give rise to a dispute or legal proceedings by or against You; or
5. Fines or other penalties imposed by a Court or tribunal; or
6. Any dispute or legal proceedings in respect of which You are, or but for the existence of this Policy would be, entitled to any payment under any insurance policy whether a legal expenses insurance or not or under a legal aid certificate or representation order; or

7. Any Claim arising from Your intentional wrongdoing or an act or omission with negligent disregard as to its consequences; or

8. Any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges; or

9. Disputes or legal proceedings between You as specified in the Policy Schedule or any Endorsement, or with any parent company or subsidiary company or associated company or partner; or

10. Any dispute or legal proceedings between You and Us, or You and the Appointed Representative, or You and Your Insurance Intermediary; or

11. Any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off whether related to intellectual property or not; or

12. Any dispute or legal proceedings arising out of the ownership or existence of any intellectual Property rights; or

13. Any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood; or

14. Any Legal Expenses incurred in respect of or in connection with a judicial review; or

15. Appeals arising out of legal proceedings to which Our prior written consent has not been granted or withdrawn; or

16. Any claim, legal liability or any loss or damage to property or Property directly or indirectly caused by or contributed to by seepage, pollution or contamination of any kind; or

17. Any Legal Expenses which You should or would have had to incur irrespective of any dispute or legal proceedings; or

18. Any expense, legal liability or any loss or damage to property or Property directly or indirectly caused by or contributed to by:
   a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
   b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component; or

19. Any loss, damage, cost or expense directly or indirectly caused by, resulting from or in connection with (including any action taken in controlling, preventing, suppressing or in any way relating to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
   a) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
   b) Any act including but not limited to the use or threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear.

**General Conditions**

These are the conditions of the insurance coverage under this Policy that You need to meet as Your part of this contract. If You do not meet these conditions, Underwriters may reject Your Claim or a Claim payment could be reduced. In some circumstances, Your Policy may not be valid.

1. **Instruction and Choice of Appointed Representative and Counsel**

   **Underwriters** will choose an **Appointed Representative** to act on Your behalf in any **Claim**.

   In all cases the **Appointed Representative** shall be appointed in the name of and on behalf of You. If in the course of any **Claim** the **Appointed Representative** wishes to instruct Senior Counsel or an expert, Senior Counsel’s or the expert’s name and an explanation of the necessity for this instruction must be submitted to Us for **Underwriters’** prior written consent to the proposed instruction which will not be unreasonably withheld.
2. Payment of Legal Expenses

All invoices and requests for payment for Legal Expenses which You receive from the Appointed Representative should be forwarded to Us as soon as practicable upon receipt. If We so require You must ask the Appointed Representative to submit to Us the bill of costs for assessment. You are responsible for payment of all Legal Expenses. We may settle these requests for payment of Legal Expenses directly at Our discretion if requested by You to do so. The payment of some Legal Expenses by Us is not an indication that all Legal Expenses will be paid.

3. Recovery of Costs

Whenever You are awarded costs or under the terms of any settlement where costs are included, those costs are to be repaid to Us.

You and Your Appointed Representative must make every reasonable effort to make a recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered, You agree that a fair and reasonable proportion of that settlement will be deemed costs and due to Us. Where this settlement is paid in instalments all costs to Us shall be paid first.

4. Appeal Procedure

If, following legal proceedings to which We have given Our prior written consent, You wish to appeal against the judgment or decision of a Court or tribunal, the grounds for this appeal must be submitted to Us through the Appointed Representative as soon as practicable so that We may consider whether to consent to this further action.

If an appeal is lodged against a judgment or decision of a Court or tribunal made in Your favour following legal proceedings to which We have given Our prior written consent, You must notify Us as soon as practicable in order that cover may continue. We will inform the Appointed Representative of Our decision. If We so require it You must co-operate in an appeal against the judgment or decision of a Court or tribunal.

5. Duty to Mitigate

You must take all reasonable precautions to avoid, prevent and mitigate Claims, disputes or legal proceedings.

You must use every endeavour and take all reasonable measures to minimise the cost and effect of any Claim.

6. Alteration of Risk

You must notify Us as soon as practicable in writing of any change in circumstances that might affect Our decision to provide You with this Policy or the premium charged. Examples include changes to Your Business Description or the acquisition of or by another company.

7. Exercise of Reasonable Care

You must exercise reasonable care to prevent injury, loss or damage to You or others and comply with all the terms and conditions of this Policy.

8. Governing Law and Jurisdiction

This Policy and any issue, including all and any disputes, relating to its formation, construction, validity or operation shall be determined by the laws of New Zealand whose Courts shall have exclusive jurisdiction to hear any dispute.

9. Privacy Act 1993
You agree that any information provided to Us regarding You will be processed by Us in compliance with the provisions of the Privacy Act 1993 for the purposes of providing insurance, facilitating renewal of insurance and handling Claims, if any, which may necessitate providing this information to third parties including Your Insurance Intermediary and Your data being transferred outside of New Zealand.

10. Your Insolvency or Liquidation

If You become insolvent or are placed in liquidation, receivership, administration or bankruptcy or enter into a voluntary arrangement or deed of arrangement or if any application is made to the Court or meeting convened for any these purposes We have the right to cease to provide under this Policy for Legal Expenses despite any previous consent Underwriters may have granted.

11. Goods and Services Tax

If You are registered for GST, We will not pay the GST element of any Legal Expenses.

12. Third Parties

This Policy is not intended to create an obligation enforceable at the suit of any person who is not a party to this Policy, and any such person shall have no right to enforce any obligation under this Policy under the Contract and Commercial Law Act 2017.

13. Sanctions, Export and Exchange Control

We shall not be deemed to provide insurance cover and Underwriters shall not be liable to pay any Claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such Claim or provision of such benefit would expose Us and/or Underwriters to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of New Zealand, Singapore, the European Union, United Kingdom or United States of America.

14. Several Liability

Underwriters’ liability under this Policy is several and not joint with other underwriters party to this Policy. An underwriter is liable only for the proportion of liability it has underwritten. An underwriter is not jointly liable for the proportion of liability underwritten by any other underwriter; nor is an underwriter otherwise responsible for any liability of any other underwriter that may underwrite this Policy.

The proportion of liability under this Policy underwritten by an underwriter (or, in the case of a Lloyd’s syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown on the Policy Schedule.

In the case of a Lloyd’s syndicate, each member of the syndicate (rather than the syndicate itself) is an underwriter. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member’s proportion. A member is not jointly liable for any other member’s proportion; nor is any member otherwise responsible for any liability of any other Underwriter that may underwrite this Policy. The business address of each member is Lloyd’s, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd’s syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd’s, at the above address.

Although reference is made at various points in this section to “this Policy” in the singular, where the circumstances so require this should be read as a reference to Policies in the plural.