

Commercial Crime Insurance [09-21]Nova Underwriting Pty Ltd
ACN 42 127 786 823 / AFSL 324767**1.0 INSURING CLAUSES:****1.1 EMPLOYEE DISHONESTY**

We will cover **You** for direct loss of **Property** or **Securities** belonging to **You** or for which **You** are legally responsible, caused by **Fraudulent Act[s]** committed during the **Insurance Period** by any **Employee** normally resident within the **Geographical Limits**.

1.2 THIRD PARTY COMPUTER and FUNDS TRANSFER FRAUD

We will cover **You** for direct loss of **Property** or **Securities** belonging to **You** or for which **You** are legally responsible, caused by act[s] of **Computer Fraud** or **Funds Transfer Fraud** committed during the **Insurance Period**.

We will also indemnify **You** against the reasonable cost of re-writing or amending computer software programs or systems, where such re-writing or amending is necessary to correct the programs or amend the security codes following **Computer Fraud** or **Funds Transfer Fraud** which was the subject of an **Insured Event** covered by this policy.

We will not cover **You** for any loss :

- caused by any **Employee** covered under Insuring Clause 1.1, or by any **Agent** of **Yours** or of any entity in which the **Agent** is concerned or implicated, or which is caused by any person in collusion with such **Employee** or **Agent**.
- if any **Financial Institution**, electronic funds transfer system or electronic data processor, is entitled to cover under any other insurance, or to recovery under any guarantee, indemnity or bond arranged for the benefit of customers of any of those parties, except for loss specifically in excess of the amount of such other insurance, guarantee, indemnity or bond.

The cover provided by this insuring clause will be specifically in excess of any indemnity or other insurance provided for **Your** benefit as a customer or client of any **Financial Institution**.

2.0 EXTENSIONS :

Except for Extension 2.7 which is optional, these extensions are included automatically, and each is subject to the terms of the policy except where those terms are varied by the extension. Except for Extension 2.7 [if included], the inclusion of these extensions does not increase the **Sum Insured**.

2.1 AUDITOR'S FEES

We will cover **You** for independent auditor's fees necessarily incurred by **You** to substantiate the amount of the **Insured Event**. **Our** liability to pay such fees will not exceed \$50,000 for any one loss, and will only be paid after **You** have established a valid **Insured Event** to **Our** satisfaction, and borne the first \$2,500 of those fees.

2.2 PREMISES and TRANSIT

We will cover **You** for direct loss of, or damage to, money or **Securities** occurring during the **Insurance Period** within the **Geographical Limits**, caused by the actual destruction, disappearance, or wrongful abstraction of such money or **Securities**:

- within or from the **Premises**, **Banking Premises** or bank night safe maintained by any bank or trust company.
- outside the **Premises** while being conveyed by **You**, an **Employee**, an armoured motor vehicle company, or any other person authorised by **You** to have custody of such money or **Securities**, or while temporarily within Your home, or the home of an **Employee** or any other person authorised by **You**.

We will not cover **You** for loss or damage:

- due to any **Fraudulent Act[s]**, **Computer Fraud**, or any other dishonest act[s] [other than theft or robbery, or any attempted theft or robbery] committed by an **Employee**, director, trustee or authorised representative of **Yours** [whether acting alone, or in collusion with others].
- due to fire, except damage to any safe or vault caused by the application of fire to such objects for the purpose of theft.
- due to the giving or surrendering of money or **Securities** in exchange or purchase of manuscripts, records, accounts, microfilm or tapes.
- due to **Forgery** or **Fraudulent Alteration**.
- of money or **Securities** while in the post, or in the custody of a carrier for hire [other than an armoured motor vehicle company].
- of money or **Securities** while in the custody of any bank, trust company, or similar recognised place of safe deposit, armoured motor vehicle company or any other person authorised by **You** to have custody of the money or **Securities**, unless the loss or damage is in excess of the amount recovered or received by **You** under:
 - **Your** contract [if any] with, or insurance or guarantee or indemnity or bond carried by, any of the above, or
 - any other insurance, guarantee, indemnity or bond in force which would cover the loss in whole or in part.
- of money or **Securities** as a result of kidnap, ransom or other extortion payments [except proceeds of a robbery] surrendered to any person as a result of a threat to do:

- bodily harm to any person.
- damage to the **Premises** or other property owned or held by **You** in any capacity.
- due to **Computer Fraud** or **Funds Transfer Fraud**.

2.3 MONEY ORDERS and COUNTERFEIT PAPER CURRENCY

We will cover **You** for direct loss sustained during the **Insurance Period** within the **Geographical Limits** arising from:

- any money order issued, or purporting to have been issued, by any post office [or other organisation which issues money orders in the ordinary course of its business] accepted in exchange for money, goods or services, if such money order is not paid upon presentation.
- counterfeit paper currency accepted in the ordinary course of **Business**.

We will not cover **You** for direct loss caused by :

- the insolvency [or similar] of the issuer or presenter of any instrument, or
- such acceptance, unless each money order appears to be issued by a post office [or other organisation which issues money orders in the ordinary course of its business] and which was known to the person accepting such money order before the time the money order was accepted.

2.4 DEPOSITOR'S FORGERY

We will cover **You** for direct loss of money or **Securities** sustained during the **Insurance Period** within the **Geographical Limits** arising from **Forgery** or **Fraudulent Alteration** in or on any cheque, draft, promissory note, bill, or exchange or similar written promise, order or direction to pay a sum certain in money made or drawn upon **You**, or made or drawn by **Your** agent, or purporting to have been so made, including:

- any cheque or draft made or drawn in **Your** name payable to a fictitious payee and endorsed in the name of such fictitious payee.
- any cheque or draft procured in a face to face transaction with **You** or **Your** agent, by anyone impersonating another and made or drawn payable to the one impersonated, and endorsed by anyone other than the one impersonated.
- any payroll cheque, draft or order made or drawn by **You** payable to the bearer as well as to a named payee, and endorsed without the authority of the payee.

We will also cover **You** for legal costs incurred with **Our** the written consent in defending any action brought against **You** to enforce payment in the event that **You** refuse to pay any part of the instruments referred to above, if such payment would constitute a loss under this policy.

For the purpose of this extension, mechanically reproduced facsimile signatures shall be treated the same as hand-written signatures.

We will not cover **You** for direct loss:

- covered under Insuring Clause 1.1.

- from **Forgery** or **Fraudulent Alteration** of, on, or in any **Securities**, instruments or obligations issued [or purported to have been issued] by **You** or any coupons attached to, or detached from, such documents.

2.5 INCOMING CHEQUE FORGERY

We will cover loss discovered during the **Insurance** Period arising from **Forgery** or **Fraudulent Alteration** of, on, or in any cheque or draft drawn upon or by any bank, and tendered to **You** for valuable consideration, provided that **Our** liability shall be limited to seventy-five percent (75%) of **Your** pecuniary interest in such cheque or draft.

2.6 INTERNET LIABILITY

We will cover **You** for damages and costs which **You** are legally liable to pay as a result of any claim made against **You** during the **Insurance Period** for libel, malicious falsehood, or for unintentional infringement of any copyright, trade mark, service mark, moral rights, patent rights, registered design, or any other intellectual property right, arising from any internet transmission by **You** in the course of the business, provided always that:

- for the purpose of this extension, internet transmission means the provision of information:
 - lodged on a computer by **You**, and which can be accessed by another person through a computer by using world-wide web browser technology.
 - through user nets where electronic bulletin boards or electronic open forum debates are hosted by **You**.
 - through file transfers where electronic files are shared via file transfer protocol.
 - electronically transmitted as a message by e-mail.

We will not cover **You** for :

- the bodily injury, sickness, disease, or death of any person [including, but not limited to, emotional distress arising other than through libel or malicious falsehood].
- the consequences of any act of spite or ill-will by **You**, someone on **Your** behalf, **Your** directors, or any **Employee**.
- any claim made by **You**, **Your** directors or an **Employee**, against any other party covered by this policy.

2.7 ONE AUTOMATIC REINSTATEMENT - OPTIONAL

Immediately following the discovery of a loss resulting in a valid claim, the aggregate **Sum Insured** is reduced by the amount of such loss [as subsequently ascertained], **We** will then automatically reinstate the aggregate **Sum Insured**, provided that the amount so reinstated will only apply to loss arising from:

- **Employees**, other than those whose **Fraudulent Acts** resulted in the **Insured Event**.

- **Fraudulent Acts, Forgery** or dishonest acts committed after the date of such reinstatement.

This extension only applies if shown in Item [8] of the Schedule to apply.

3.0 EXCLUSIONS :

We will not cover :

- 3.1** loss of potential income including, but not limited to, interest, dividends and loss of computer time.
- 3.2** consequential loss of any kind.
- 3.3** the amount of the **Deductible**.
- 3.4** any loss or losses arising from acts committed outside the **Insurance Period**, or not discovered within the **Discovery Period**.
- 3.5** any loss or losses, or any part of any loss or losses, the proof of which either to existence or its amount, is dependent upon inventory calculation or a profit and loss calculation alone.
- 3.6** costs fees or expenses incurred by **You** in establishing the existence or amount of any loss or losses covered under this policy except as covered under Extension 2.1 [AUDITOR'S FEES].
- 3.6** any loss or losses arising from accounting or arithmetical errors or omissions, or extortion.
- 3.7** loss, destruction or damage caused by wear and tear, moths, vermin, atmospheric or climatic conditions, or any gradually operating cause.
- 3.8** loss, destruction or damage:
 - directly or indirectly occasioned by, happening through, or in consequence of : war, invasion, act of foreign enemy, hostilities [whether declared or not], civil war, rebellion , revolution, insurrection, military or usurped power, or **Terrorism**.
 - to any **Property** or **Securities**, including consequential loss arising either from such loss, damage or destruction, or from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel.
 - the radioactive, toxic, explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly.
 - directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

- 3.10** damages of any type whether punitive, exemplary or other, for which **You** are legally liable, except direct compensatory damages arising from a loss or losses covered by this policy.
- 3.11** loss sustained by one insured party to the advantage of any other insured party.
- 3.12** claims arising out of or in connection with any circumstances or occurrences which have been notified to **Us** or to any other insurer under any other policy of insurance effected prior to the **Insurance Period**.
- 3.13** arising out of or in connection with any circumstances or occurrences known to **You** prior to the **Commencement Date**.
- 3.14** loss arising from any liability or loss arising from any intrusion due to the failure or the circumvention of the security of **Your Computer System**, which results in any unauthorised access, unauthorised use, hacking, a denial of service attack, a denial of access, the receipt or transmission of a malicious code, malicious software, malicious email, ransomware, trojan or virus which causes the destruction, modification, corruption, damage, deletion or disclosure of **Data** [including data of a third party] stored on **Your Computer System**.

“Computer Systems” means any computer hardware, software or any components thereof that are linked together through a network of two or more devices accessible through the internet or internal network or that are connected through data storage or other peripheral devices which are owned, operated, controlled or leased by **You**. **Your Computer System** also includes:

- any **Third Party** computer or electronic device [including mobile phones, tablets or computers owned or controlled by an employee of **Yours**] used to access **Your Computer System** or **Data** contained therein, but only to the extent such computer or device is used for that purpose;
- any employee “Bring Your Own Device” used to access **Your Computer System** or **Data** contained therein, but only to the extent such device is used for that purpose; and
- any cloud service or other hosted computer resources, used by **You** and operated by a **Third Party** service provider under a written contract between such a **Third Party** service provider and **You**.

“Data” means any electronically stored digital or digitised information or media stored on **Your Computer System** or an **OSP's Computer System**.

“Outside Service Provider [‘OSP’]” means an entity which is not owned, operated or controlled by **You** that **You** have appointed to provide specified services [including webhosting, payment processing and IT security data collection, data processing, delegation of data processing, storage of data and/or deletion or destruction of data] which would otherwise be provided internally whether based on an express contractual agreement, but only to the extent of the provision of such services

“**Third Party**” means any entity or natural person; provided, however, **Third Party** does not mean:

- **You**;
- other entity or natural person having a direct or indirect financial interest or executive role in the operation of the **Business**.

In addition, **We** will not cover loss arising from monetary loss sustained from **Social Engineering Fraud**.

Social Engineering Fraud means a misrepresentation of fact or an intentional, malicious, wilful or fraudulent act, undertaken by a third party that misleads **You** and directly results in **Your**, or that of **Your** customers, money or securities or other assets being transferred, disbursed, paid, delivered, altered, corrupted or lost.

- 3.15** liability to pay any loss or provide any benefit under this policy to the extent that the provision of such cover, payment of such loss or provision of such benefit would expose that **Security** 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, Australia or United States of America.

4.0 CONDITIONS :

- 4.1 Knowledge** possessed or **Discovery** made by any insured party, shall constitute **Knowledge** possessed or **Discovery** made by all other insured parties.

- 4.2** All amounts payable by the **Us** under this policy will be payable to the first named party in Item [1] of the Schedule. **We** will not be responsible for the proper application or correct distribution of any such amount amongst the other insured parties if **We** agree to and make any payment to such other insured parties, and any payments so made will be deemed to have been made to the said first party.

- 4.3** The Insurance Council of Australia Limited has developed the General Insurance Code of Practice [*Code*], which is a voluntary self-regulatory code. The Code aims to raise the standards of practice and service in the insurance industry.

Lloyd’s has adopted the Code on terms agreed with the Insurance Council of Australia. For further information on the Code please visit www.codeofpractice.com.au

The Code Governance Committee [*CGC*] is an independent body that monitors and enforces insurers’ compliance with the Code. For more information on the CGC go to www.insurancecode.org.au

If **You** have any concerns, or wishes to make a complaint in relation to this policy, **Our** services, or **Your Claim**, please let **Us** know, and **We** will attempt to resolve **Your** concerns in accordance with **Our** Internal Dispute Resolution procedure. Please contact **Us** in the first instance:

Eugenia Martinez,

Nova Underwriting Pty Ltd.

Email: eugenia@novaunderwriting.com.au

Telephone: (02) 9226 7801

Post: Suite 34, Level 7, 88 Pitt Street, Sydney NSW 2000.

We will acknowledge receipt of **Your** complaint, and do **Our** utmost to resolve the complaint to **Your** satisfaction, within 10 business days.

If **We** cannot resolve the complaint to **Your** satisfaction, **We** will escalate the matter to Lloyd's Australia who will determine whether it will be reviewed by their office or the Lloyd's UK Complaints team.

Lloyd's contact details are:

Lloyd's Australia Limited

Email: ldraustralia@lloyds.com

Telephone: (02) 8298 0783

Post: Suite 1603 Level 16, 1 Macquarie Place, Sydney NSW 2000

A final decision will be provided to **You** within 30 calendar days of the date on which **You** first made the complaint unless certain exceptions apply.

You may refer the complaint to the Australian Financial Complaints Authority (AFCA), if the complaint is not resolved to **Your** satisfaction within 30 calendar days of the date on which **You** first made the complaint, or at any time.

AFCA can be contacted as follows:

Telephone: 1800 931 678

Email: info@afca.org.au

Post: GPO Box 3 Melbourne VIC 3001

Website: www.afca.org.au

The complaint must be referred to AFCA within 2 years of the final decision, unless AFCA considers special circumstances apply. If the complaint is not eligible for consideration by AFCA, **You** may be referred to the Financial Ombudsman Service (UK), or **You** can seek independent legal advice. **You** can also access any other external dispute resolution or other options that may be available.

4.4 If during the **Insurance Period** **You** acquire another entity, such entity will be covered by this policy from the date of acquisition provided that :

- if the entity is a **Subsidiary**, **You** give written notice to **Us** within thirty days after such acquisition. If such notice is not received within thirty days, **You** will be deemed to have decided not to insure the **Subsidiary**, and any loss in relation to that **Subsidiary** will not be covered by this policy.
- if the entity is an **Associated Company**, **You** give written notice to **Us** either prior to, or immediately upon acquisition.
- **We** will not be liable for any loss in respect of such **Subsidiary** or **Associated Company**, if **Discovery** has occurred before written notice is given in accordance with the above provisos.
- **You** provide such information as we reasonably require, and pay such additional premium as **We** may reasonably require.
- the **Commencement Date** for an acquisition will be :
 - the date of acquisition in respect of any **Subsidiary**.
 - the later of the date of notification or acquisition in respect of an **Associated Company**.

4.5 If any claim shall be in any respect fraudulent, or if any fraudulent means or devices are used by an insured party or anyone acting on behalf an insured party to obtain any benefit under this policy, or if any loss is occasioned by a wilful act of an insured party or with their connivance, all benefit under this policy will be forfeited.

4.6 Upon the **Discovery** of any act which may give rise to an **Insured Event**, **You** will:

- immediately give written notice to **Us**.
- immediately take all steps to prevent further loss.
- within 30 days after **Discovery** [or such further time as **We** may allow] supply **Us** at **Your** expense [except as provided under Extension 2.1], all such proof, information and other evidence relating to the claim as **We** may reasonably require.

4.7 **We** shall be entitled to take over and conduct in **Your** name all claims and rights of action **You** may have against other parties in respect of any act giving rise to an **Insured Event**. In doing so, **You** must give **Us** all such assistance as **We** may reasonably require.

4.8 The **Security** agrees that:

(i) if a dispute arises under this policy, this policy will be subject to Australian law and practice and the **Security** will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;

(ii) any summons notice or process to be served upon the **Security** may be served upon:

*Lloyd's Underwriters' General Representative in Australia,
Suite 1603, Level 16,
1 Macquarie Place,
Sydney NSW 2000.*

who has authority to accept service on behalf of the **Security**;

(iii) if a suit is instituted against any of the **Security**, all the **Security** participating in this policy will abide by the final decision of such Court or any competent Appellate Court.

In the event of a **Claim** arising under this policy immediate notice should be given to:

*Eugenia Martinez,
Claims Manager,
Nova Underwriting Pty Ltd.
Email: eugenia@novaunderwriting.com.au
Telephone: (02) 9226 7801*

4.9 The basis of settlement under this policy shall be:

- in the case of **Securities**, **We** will not be liable for more than the actual cash value of **Securities** at the close of business on the business day immediately preceding the day on which the loss was discovered or for more than the actual cost of replacing the **Securities**, whichever is less.
- in the case of loss of books of accounts or other records [other than electronic data] used by **You** in the conduct of **Your** business, **We** will only be liable under this policy if such books or records are actually reinstated, and then for not more than the cost of blank books, blank pages, or other materials, plus the cost of labour and computer time for the actual transcription or copying of data furnished by **You** in order to reinstate such books and other records.

- in the case of destruction, erasure, or theft of electronic data used by **You** and stored within **Your** computer systems, **We** will only be liable if such data is actually reinstated, and then for not more than the cost of labour for the actual transcript or copying of data furnished by **You** in order to reinstate such data.
- in the case of currency other than Australian dollars, then for the purpose of any calculation required in the settlement of a loss, the rate of exchange shall be the rate offered by **Our** bank on the date of such settlement.
- in the case of property other than the above, **We** will not be liable for more than the lesser of the actual cash value of such property at the time of loss and the actual cost of repairing or replacing such property with property of similar quality and value.

4.10 Settlement of loss shall be considered as follows:

- **We** may, with **Your** consent, settle any claim for loss of **Property** with its owner. Any **Property** for which **We** have paid will become **Our** property.
- **We** may, at **Our** discretion, pay the actual cash value of such **Property**, or make such repairs or replacements to it as we see fit. If **We** and **You** cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration.

4.11 Recoveries shall be apportioned as follows:

- in the event that **Your** claim has exceeded the **Sum Insured**, firstly to **Your** benefit to reduce or extinguish the amount of **Your** loss [but not the **Deductible**].
- secondly, to **Our** the benefit to the extent of the claim paid or payable.
- and finally, to **Your** benefit where the **Deductible** had been deducted from the claim.

4.12 Any loss which may count towards the **Deductible** must be advised to **Us**.

4.13 Immediately following the discovery by **You** of any **Fraudulent Act[s]** by an **Employee**, cover for further **Fraudulent Acts** by that **Employee** shall cease.

4.14 Upon the termination of service of any **Employee**, **You** will take all reasonable security precautions to prevent any **Fraudulent Act[s]** by that **Employee**.

4.15 The cover provided by this policy does not extend [directly or indirectly] to any carrier or other bailee for hire.

- 4.16** If, through consolidation or merger with, or purchase of assets of, some other concern, any persons shall become **Employees**, or **You** acquire the use and control of any additional **Premises**, the cover provided by this policy will extend to such **Employees** and **Premises**, provided that **You** :
- provide **Us** with written notice of these events within thirty days of their occurrence, and
 - give **Us** such other additional information as **We** may reasonably require, and
 - pay **Us** such an additional premium as we may reasonably require.
- 4.17** In the event of **Your** takeover by any other organisation, or any other change of ownership, then **We** will only cover **You** for loss occurring before such events took place, unless **We** agree otherwise.
- 4.18** **You** may cancel this policy at any time by notifying **Us** in writing. **We** may also cancel this policy, but **We** can only do so in accordance with the law. In the event of cancellation, any refund of premium, and the amount of that refund, is at **Our** sole discretion.
- 4.19** If following any loss or losses under Insuring Clause 1.1, **You** are unable to identify the specific **Employee** [s] concerned, the evidence submitted by or on **Your** behalf shall prove beyond reasonable doubt that the loss or losses were sustained as a result of any **Fraudulent Act[s]** committed by one or more **Employees**.
- 4.20** This policy will be construed in accordance with the laws of Australia and the state or territory where the policy was issued. All disputes relating to interpretation of this policy will be determined by the courts [or a federal court] based in that state or territory.
- 4.21** The cover provided by **Us** under this policy is in consideration of the payment of the agreed premium.
- 4.22** To be valid, this policy must have a Schedule attached to it which has been signed by an authorised officer of **Ours**.
- 4.23** Observance of the terms of this policy relating to anything to be done, or complied with, by **You**, is a condition precedent to **Our** liability under this policy.
- 4.24** Unless otherwise agreed to by **Us** in writing, **Our** liability under this policy is conditional upon the nature of the business [as described in Item [3] of the Schedule] remaining unchanged.

5.0 DEFINITIONS:

Acting in Collusion shall mean all circumstances where two or more **Employees** are concerned or implicated together or materially assist each other in committing the **Fraudulent Act[s]**.

Agent shall mean any broker, factor, commission merchant, consignee, contractor, facilities manager, or other agent or representative of the same general character.

Associated Company shall mean any company or entity in which **You** legally own more than 20 percent of the issued share or other capital and retain management control.

Banking Premises shall mean the interior of that portion of any building which is occupied by a banking institution within the **Geographical Limits**.

Commencement Date shall mean the date upon which cover under this policy as a whole commences, or such later date that cover under any extension or endorsement to this policy commences.

Computer Fraud shall mean any act of fraud or dishonesty committed other than by an **Employee** involving the manipulation of **Your** computer hardware, software programs or systems.

Deductible shall mean the first part of each and every **Insured Event**, or the first part of any payment we make under any Extension [other than Extension 2.1] to this policy, which is paid by **You**. The **Sum Insured** shall be in excess of the amount of the **Deductible** which is the sum stated in Item [6] of the Schedule.

Discovery shall occur immediately when any insured party, or any partner, director, trustee or officer of an insured party, shall have **Knowledge**.

Discovery Period shall mean the period of 12 months immediately following the **Termination Date** of this policy. For the purpose of the **Sum Insured**, the **Discovery Period** shall form part of the **Insurance Period**.

Electronic Instructions shall mean electronic, telegraphic cable, teletype tested, telex tested, facsimile or telephone instructions issued to a **Financial Institution** directing such **Financial Institution** to debit a **Transfer Account** and to transfer, pay or deliver funds from such **Transfer Account**.

Employee shall mean any person under **Your** direction and control:

[1] while under a contract of service or apprenticeship with **You**.

[2] while undergoing training under any government approved training scheme under **Your** control.

[3] who works exclusively for **You** and no other entity, under a contract for services with **You** as a consultant.

in connection with the **Business** while in **Your** service and who **You** remunerate by salary, wages or commissions.

[4] any person specified in [1] or [2] for a period of 30 days immediately following termination of their service.

The term **Employee[s]** shall not include:

[A] any director, partner, trustee or officer of **Yours** if such person:

[a] is not employed by **You** under a contract of service, or

[b] controls more than 5% of **Your** issued share capital.

[B] any broker, factor, commission merchant, consignee, contractor, facilities manager or other agent or representative of the same general character.

Financial Institution shall mean any bank, building society, stockbroker, fund manager or similar entity at which **You** maintain a **Transfer Account**.

Forgery/Forged shall mean the signing of the name of another person with the intent to deceive, but this shall not include:

- a signature of an individual's name signed by such an individual with or without authority in any capacity for any purpose, or
- such genuinely signed instruments which are false as to content.

Fraudulent Act[s] shall mean any act[s] of fraud or dishonesty by any **Employee** committed with the intent of obtaining an improper financial gain for themselves [other than salaries, fees, commission or other employee benefit earned in the normal course of employment].

Loss or losses involving an inducement [monetary or otherwise] offered by any **Employee** to an existing or prospective customer or supplier of **Yours**, will not be deemed to be arising from a **Fraudulent Act** unless committed with the intent to obtain a financial gain for any such **Employee**.

Fraudulent Alteration/Fraudulently Altered shall mean a material alteration to an instrument or document for a fraudulent purpose by a person other than the person who prepared the instrument or document.

Funds Transfer Fraud shall mean any act of fraud or dishonesty committed other than by an **Employee** involving:

- fraudulent **Electronic Instructions** which purport to have been transmitted by **You**, but were in fact fraudulently transmitted by someone other than **You** without **Your Knowledge** or consent, or
- fraudulent **Written Instructions** which purport to have been transmitted by **You**, but were in fact fraudulently issued or **Fraudulently Altered** or **Forged** by someone other than **You** without **Your Knowledge** or consent.

Geographical Limits shall mean anywhere in the world, excluding USA and Canada.

Insurance Period shall mean the period stated in Item [4] of the Schedule, and shall include the entire period during which the policy remains in force from the **Commencement Date** to the **Termination Date** of the **Insurance Period**.

Insured Event shall mean all loss or losses throughout the continuation of this policy [or any policy, insurance or bond issued in substitution of this policy or for which this policy is substituted] committed by one individual **Employee**, or by two or more **Employees Acting in Collusion**, or by any other person and in which such **Employee[s]** or other person is concerned or implicated, either resulting from a single act, event or occurrence [or any number of acts, events or occurrences]

irrespective of whether such acts, events or occurrences are committed or caused during or prior to the **Insurance Period** and irrespective of the number of insured parties which sustain such loss.

This definition shall not make **Us** liable for any loss or losses arising from acts committed, or events or occurrences which occur, prior to the **Insurance Period**, or prior to the **Commencement Date** of any extension or endorsement to this policy, or after the **Termination Date**.

Our liability in respect of all **Insured Events** occurring during the **Insurance Period**, plus **Our** liability to make payments under any Extension to this policy during the **Insurance Period**, and whether caused by one **Employee**, or by two or more **Employees Acting in Collusion**, or by any other person, will not exceed the **Sum Insured**. If **You** elect to purchase Optional Extension 2.7 [ONE AUTOMATIC REINSTATEMENT], such liabilities will not exceed twice the **Sum Insured** during the **Insurance Period**.

Knowledge shall mean facts which would cause a reasonable person to assume that a loss under this policy has been or will be incurred, even though the exact amount or details of the loss may not be known.

Our[s] means pertaining to Nova Underwriting Pty Ltd on behalf of the **Security**.

Premises shall mean the interior of that portion of any building which is occupied by **You** in conducting its business and within the **Geographical Limits**.

Property shall mean monies or goods belonging to **You** or for which **You** are legally responsible.

Retroactive Date shall mean the date stated in Item [7] in the Schedule, and from which any loss or losses involving any act or acts which occurred or commenced prior to the **Commencement Date** for which **Discovery** can be made under this policy and notified to **Us**.

Securities shall mean the following:

- share certificates, bearer stock certificates of stock warrants or rights to subscribe allotment letters bonds, debentures or coupons issued by limited companies or corporations.
- bonds similar in form to corporate bonds issued by partnerships which are secured by mortgages, deeds of trust or collateral trust agreements.
- government, government guaranteed, and local government stocks, certificates of indebtedness, bonds, coupons or warrants issued by the government of any country, or by their agencies, states, provinces, counties, cities, towns or municipalities.
- promissory notes except :
 - those issued or purporting to have been issued for use as currency.
 - those secured [or purporting to be secured] directly or indirectly by assigned accounts [or what purport to be assigned accounts].
 - deeds of trust mortgages upon real property and upon interests in real property, and assignments of such mortgages.
 - certificates of deposit and letters of credit.

- electronic or dematerialised securities.

Security means: the subscribing [re]insurers' obligations under contracts of [re]insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing [re]insurers are not responsible for the subscription of any co-subscribing [re]insurer who for any reason does not satisfy all or part of its obligations.

Subsidiary shall mean any company or other entity in which **You** legally own more than 50 percent of the issued share or other capital, and retain management control.

Sum Insured shall mean the sum stated in Item [5] of the Schedule.

Termination Date shall mean the earlier of:

- the date upon which cover under this policy ceases, or
- the date upon which cover under this policy, or under any extension or endorsement to this policy, ceases in respect of any insured party.

Terrorism shall mean any act or acts of any person acting on behalf of, or in connection with, any organisation whose activities are directed towards the overthrowing or influencing of any government de jure or de facto, by force or violence, or the use of violence for political ends.

Transfer Account shall mean an account maintained by **You** at a **Financial Institution** from which **You** can initiate the transfer, payment, or delivery of funds by means of:

- **Electronic Instructions** communicated directly or through an electronic funds transfer system, or
- **Written Instructions** establishing the conditions under which such transfers are to be initiated by such **Financial Institution** through an electronic funds transfer system.

Us and We means Nova Underwriting Pty Ltd on behalf the **Security**.

Written Instructions shall mean written instructions issued to a **Financial Institution** directing such **Financial Institution** to debit a **Transfer Account** and to transfer, pay or deliver funds from such **Transfer Account** by use of an electronic funds transfer system. **Written Instructions** shall not include any cheque, draft, promissory note, bill of exchange, or similar written promise, order, or direction to pay.

You means any party named in Item [1] of the Schedule, and any **Subsidiary** or **Associated Company** of that party which existed at the commencement of the **Insurance Period**.

Your(s) means pertaining to **You**.