



DUAL EVOLUTION POLICY WORDING

A background photograph of a business meeting. A woman in a light blue blazer is smiling and looking at a man in a dark suit who is using a calculator. They are sitting at a table with coffee cups and papers. The background is a bright, modern office with large windows.

DUAL Evolution
Crime Protection
Policy Wording



DUAL Evolution Crime Protection Policy Wording

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DUAL Evolution Crime Protection

Policy Wording

Section 1: PREAMBLE

- 1.1 In consideration of the premium, **we** will provide the cover described in the **policy**, subject to the Insuring Clauses, the Extensions, Exclusions, Definitions and the General Conditions & Exclusions Section.

Section 2: INSURING CLAUSES

2.1 Internal Crime Cover

We agree to pay on behalf of the **policyholder** its **loss** resulting from an **internal crime** which is first **discovered** and reported to **us** during the **insurance period**.

2.2 External Crime Cover

We agree to pay on behalf of the **policyholder** its **loss** resulting from an **external crime** which is first **discovered** and reported to us during the **insurance period**.

Section 3: EXTENSIONS

Each Extension is automatically included under the **policy** unless specifically stated otherwise in the **schedule**. Extensions are subject to the Insuring Clauses and all other **policy** terms, conditions and exclusions, definitions and the General Conditions & Exclusions Section. The sub-limits applicable to these Extensions form part of and are not in addition to the **indemnity limit**.

3.1 Care, Custody & Control

We agree to pay the direct **loss** of a client or customer of the **policyholder** in circumstances where the **policyholder** had the care, custody or control of the **money, securities** or tangible property, which is the subject of an **internal crime** or **external crime**.

3.2 Continuous Cover

We will pay the **policyholder** all **loss** on account of an **internal crime** or **external crime** committed at any time, provided it is **discovered** during the **insurance period**.

3.3 Contractual Penalties

We agree to indemnify the **policyholder** for any contractual penalty assumed by and enforced against the **policyholder** under a written contract between the **policyholder** and a **third party**, which is payable as a direct consequence of an **internal crime** or **external crime** covered under this **policy** up to the sub-limit specified in the **schedule**.

3.4 Computer Crime Costs

We will pay the **computer crime costs** of the **policyholder** following an **internal crime** or **external crime** which is covered under this **policy** up to the sub-limit specified in the **schedule**.

For the purpose of this Extension only, Exclusion 4.4 (Confidential Information) does not apply.

3.5 Credit Card Fraud

We agree to pay the **loss** of the **policyholder** caused as a result of a **credit card fraud** during the **insurance period**.

3.6 Destruction or Disappearance of Money or Securities

We agree to pay the **loss** of the **policyholder** caused by the destruction or disappearance of **money** or **securities** in the course of an **internal crime** or **external crime**, which is discovered during the **insurance period**, up to the sub-limit specified in the **schedule**.

3.7 Discovery Period

In the event of non-renewal of this **policy**, for reasons other than for the non-payment of premium, the **policyholder** may give written notice to **us** during a **discovery period** of any **loss** arising from an **internal crime** or **external crime** which was **discovered** during the **insurance period** or the **discovery period**. Such **discovery period** will commence immediately after the **insurance period** for a period of:

- a) 60 days, granted automatically with no additional premium payable; or
- b) 12 months, at our discretion, if the **policyholder** requests such period in writing within 15 days after the end of the **insurance period** and the **policyholder** tenders an additional premium of 100% of the expiring annual premium of the **policy** immediately prior to the end of the **insurance period** within thirty (30) days after the end of the **insurance period**.

This Extension is not available if this **policy** is:

- (i) renewed or replaced with any other like crime protection or management liability policy; or
- (ii) cancelled or avoided.

Any **discovery period** purchased under this Extension is non-cancellable, and the premium paid for the **discovery period** is fully earned by **us** and is non-refundable.

3.8 Erroneous Transfer of Money or Securities Cover

We agree to pay the **loss** of the **policyholder** caused by the wrongful retention by a **third party** of **money** or **securities** erroneously transferred to that **third party** which is discovered during the **insurance period** up to the sub-limit specified in the **schedule**. Our liability under this Extension is only payable once the **policyholder** has taken all reasonable steps to recover the erroneously transferred **money** or **securities** from the **third party**.

3.9 Extortion

We agree to pay the **loss** of the **policyholder** caused by **extortion** committed by a **third party** during the **insurance period** up to the sub-limit specified in the **schedule**.

3.10 Future Loss Prevention Costs

We will pay the **future loss prevention costs** of the **policyholder** up to the sub-limit specified in the **schedule**.

3.11 Interest

We agree to pay to the **policyholder** any **interest** which otherwise would have been payable on **money** which has been misappropriated as a result of an **internal crime** or **external crime** up to the sub-limit specified in the **schedule**.

3.12 Loss Investigation Costs – Policyholder

We agree to reimburse the **policyholder** for their **loss investigation costs** which they incur in order to provide a **proof of loss** to us, following the **discovery** of an **internal crime** or an **external crime** during the **insurance period** up to the sub-limit specified in the **schedule**.

3.13 Loss Investigator Costs – DUAL

If the **policyholder** elects not to use their own **loss investigator**, we agree to pay the costs of a **loss investigator** selected by **us**, in order to assist the **policyholder** to provide us with their **proof of loss** up to the sub-limit specified in the **schedule**.

3.14 Public Relations Expenses

We will pay the **public relations expenses** of the **policyholder** following an **internal crime** or **external crime** covered under this **policy** up to the sub-limit specified in the **schedule**.

3.15 Unincorporated Joint Venture Cover

We will pay the **loss** of the **policyholder** sustained as a result of an **internal crime** or **external crime** perpetrated against an unincorporated joint venture, in which the **policyholder** owns at least a 50% proprietary share, which is discovered within the **insurance period** up to the sub-limit specified in the **schedule**.

3.16 Whistleblower Hotline Access

The **Policyholder** and their internal and external stakeholders are hereby entitled to access the **DUAL Whistleblower Hotline** throughout the **insurance period**.

Section 4: EXCLUSIONS

We will not be liable under the **policy** for **loss** in any way connected with:

4.1 Prior Knowledge

any director or **officer** (who is not in collusion with such **employee**) having actual knowledge of any actual or alleged **internal crime** or **external crime** prior to the **continuity date**.

4.2 Consequential Loss

any indirect or consequential loss of any nature except where expressly provided for in the Extension Clauses of the **policy**.

4.3 Profit Loss and Inventory Computation

a profit and loss computation or comparison of inventory records, which is the sole means of proving that a **loss** has been sustained.

4.4 Confidential Information

the accessing, use or dissemination of any confidential information including, but not limited to, trade secrets, computer programs, customer information, patents, trademarks, copyrights or processing methods.

4.5 Voluntary Surrender

the voluntary giving or surrendering of **money**, **securities** or other tangible property in any exchange or purchase except where Additional Benefit 3.8 (Erroneous Transfer of Funds) applies.

4.6 Property Damage

damage or destruction to any real property (including fixtures and fittings) resulting from either an **internal crime** or **external crime**. However this Exclusion does not apply to any **loss** covered under Extension 3.6 (Destruction or Disappearance of Money).

4.7 Plastic Cards

the fraudulent alteration of any written instrument required in connection with a debit, credit, bank, VISA, American Express or other like credit card, except a plastic card issued to any **employee** or director or **officer** or the **policyholder**.

Section 5: CONDITIONS APPLYING TO THIS POLICY ONLY

5.1 Proof of Loss

Following **discovery** and subsequent notification of a **loss** to **us**, the **policyholder** must:

- a) provide us with affirmative **proof of loss** with full particulars within 6 months of the **loss** being first **discovered**; and
- b) provide us with all requested information and documents and co-operate with us in all matters pertaining to the **loss**.

5.2 Valuation of Loss

With respect to any **loss** covered under this **policy**, **we** are not liable for more than:

- a) the actual market value of **securities, money** or precious metals at the close of business on the day the **loss** was first **discovered** (determined by the value published in the Australian Financial Review), or the actual cost of replacing the **securities, money** or precious metals, whichever is less.
- b) the actual cash value of other tangible property (not referred to in (a) above) at the close of business on the day the **loss** was first **discovered**, or the actual cost of replacing the property with property of like quality or value, whichever is less.
- c) 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 the **policyholder** in order to reproduce books of account and other records for any **loss** covered under Extension 3.4 (Computer Crime Costs).
- d) the cost of labour for the actual transcription or copying of electronic data furnished by the **policyholder** in order to reproduce such electronic data.
- e) with respect to Artwork, the average valuation of two licensed independent artwork valuers, selected by **us**.

Section 6: DEFINITIONS

In this **policy**:

6.1 Accountant means a person or entity that is not an **insured** and is recognised by the Institute of Chartered Accountants or the Australian Society of Accountants, or any other person registered by the Australian Taxation Office as a tax agent.

6.2 Business description means the description of the **policyholder's** business activities outlined at Item 3 of the **schedule**.

6.3 Computer crime costs means reasonable fees, costs and expenses incurred by the **policyholder** with our prior written consent to retain a suitably qualified consultant to assist the **policyholder** with:

- a) the identification, verification and removal of fraudulent, maliciously introduced or altered computer programs which erase, corrupt, destroy or modify data or deny access to the **policyholder's** computer network; and
- b) the reproduction or duplication of damaged or destroyed electronic computer programs;

as a result of an **internal crime** or **external crime** covered under this **policy**.

6.4 Continuity date means the date specified at item 7 of the **schedule**.

- 6.5** **Counterfeiting** means any act, which causes the **policyholder** to act upon or give value for a negotiable instrument that is an imitation of an authentic negotiable instrument and which deceives the **policyholder** into believing that the imitation is the authentic original negotiable instrument.
- 6.6** **Credit card fraud** means the fraudulent alteration of any written instrument required in connection with a credit card issued to any **employee** or director or **officer** or the **policyholder**.
- 6.7** **Deductible** means the amount or amounts specified in Item 6 of the **schedule** in respect of each Insuring Clause.
- 6.8** **Discovered** or **discovery** means when any director or **officer** (who is not in collusion with an **employee** or **third party** who has committed or is attempting to commit an **internal crime** or **external crime** becomes aware of any facts which would cause a reasonable person to believe that a **loss** which may be covered by this **policy** has been or may be incurred, even though the exact amount or details of the **loss** are not known at that time. Such awareness constitutes **discovery** by the **policyholder**.
- 6.9** **Discovery period** means the period of time specified in Extension 3.7 (Discovery Period) during which time written notice may be given to **us** of an **internal crime** or **external crime** which is **discovered** after to the end of the **insurance period** or **transaction** but before the conclusion of the **discovery period**.
- 6.10** **DUAL Whistleblower Hotline** means the use of a dedicated toll-free number to report suspected incidents and misconduct.
- 6.11** **Employee** means any natural person who is a past, present or future employee of the **policyholder**, regardless of whether they are employed on a full-time, part-time or casual basis. **Employee** does not include independent contractors.
- 6.12** **External crime** means:
- a) **counterfeiting**;
 - b) **forgery**; or
 - c) **theft**;
- by a **third party**.
- 6.13** **Extortion** means a written or verbal threat by a **third party** to physically injure **employees** or **insured persons**, or to damage or destroy tangible property (including computer systems and software) owned by the **policyholder** or for which the **policyholder** is legally liable.
- 6.14** **Forgery** means the signing or endorsing or copying of the signature in the name of a genuine person by a non-genuine person on a cheque, draft, order or bill of exchange without authority and with the intent to deceive, causing the **policyholder loss**.
- 6.15** **Fund** means any single employer superannuation fund established for the benefit of **employees**. **Fund** does not include any self-managed, industry or master superannuation funds.
- 6.16** **Future loss prevention costs** means the costs of the **policyholder** in engaging an external consultant to investigate the cause of a **loss** covered under this **policy**, and to provide a report detailing to the **policyholder** ways in which the **policyholder** can prevent future potential **internal crime** or **external crime** from occurring.
- 6.17** **Indemnity limit** means the amounts specified in Item 5 of the **schedule**.
- 6.18** **Insurance period** means the period of insurance specified in Item 4 of the **schedule**.
- 6.19** **Insured** means an **insured person**, the **policyholder**, or both.
- 6.20** **Insured person** means:
- a) any past, present or future director, shadow director, secretary, **officer**, **employee** whilst acting in a managerial function, of the **policyholder**, **trustee**, or a natural person whom, by virtue of any applicable law is deemed to be a director or **officer** of the **policyholder**;
 - b) any natural person who was, is or may become, at the request of the **policyholder**, a director, **officer**, **trustee**, or **employee** acting in a managerial capacity.

- c) an **employee** of the **policyholder** but only whilst acting in the capacity as a member of a committee convened by the **policyholder** and at the **policyholder's** specific request.

Insured person does not include:

- (i) a receiver, receiver and manager, official manager, liquidator, administrator, trustee or other person administering a compromise or scheme of arrangement made for **policyholder**;
- (ii) a company or other body corporate.

6.21 Interest means the actual bank interest rate which would have been applicable to **money** which has been lost as a result of an **internal crime** or **external crime**. Interest is calculated from the date of the **internal crime** or **external crime** and will run until payment is made under this **policy**.

6.22 Internal crime means any fraudulent or dishonest act committed by an **employee** (acting alone or in collusion with others), which results in:

- a) the **employee** making an improper financial gain for themselves or a **third party**; or
- b) the **policyholder** suffering a **loss**.

6.23 Loss means the direct financial loss of the **policyholder** of **money**, **securities** or tangible property owned by the **policyholder**, or in the care, custody or control of the **policyholder** and for which the **policyholder** is legally liable. **Loss** also includes:

- a) contractual penalties;
- b) **computer crime costs**;
- c) **money**, **securities** or other tangible property paid following an **extortion**;
- d) **future loss prevention costs**;
- e) **interest**;
- f) **loss investigation costs**; and
- g) **public relations expenses**;

as covered under the applicable Extension and subject to any sub-limits that may be applicable.

Loss does not include:

- (i) salaries, commissions, fees, bonuses, promotions, awards, profit sharing, superannuation or other employment benefits paid or payable by the **policyholder** or earned in the normal course of employment;
- (ii) fines or penalties (whether civil or criminal) imposed by law, punitive, aggravated, exemplary or multiple damages, or matters uninsurable under the laws governing this **policy**;
- (iii) any loss of income (such as interest and dividends) or profit, other than that covered under Extension 3.11 (Interest);
- (iv) any costs, fees or other expenses incurred by the **policyholder** in establishing a right under this **policy** (except where provided for under Extensions 3.12 and 3.13 (**Loss Investigation Costs**));

6.24 Loss investigation costs means the reasonable fees, costs and charges of an **accountant** or **loss investigator** retained to assist the **policyholder** in providing **us** with a **proof of loss** under this **policy**. **Loss investigation costs** do not include any internal overheads, time costs, profit margins, internal staff costs, wages or salaries or the **policyholder** incurred in order to provide a **proof of loss**.

6.25 Loss investigator means the reasonable fees, costs and charges of a suitably qualified external consultant, who is not an **insured**, retained to assist the **policyholder** in providing **us** with a **proof of loss**.

- 6.26** **Money** means either local or foreign currency, coins, bank notes, cheques, traveller's cheques, registered cheques, postal orders, money orders or bullion.
- 6.27** **Not-for-profit entity** means any entity with a written constitution which prohibits the distribution of profits or assets amongst its members during the lifetime of the entity or upon its winding up.
- 6.28** **Officer** means any company secretary, general counsel or an **employee** who is concerned in, or takes part in, the management of the **policyholder** regardless of the name that is given to their position.
- 6.29** **Other insurance** means the other insurance policy or policies specified in item 12 of the **schedule**.
- 6.30** **Policy** means this policy wording, the **schedule**, the General Conditions & Exclusions Section and any Endorsements attaching to and forming part of the **policy** either at commencement of or during the **insurance period**.
- 6.31** **Policyholder** means the entity or entities specified in Item 2 of the **schedule** and any **subsidiaries**.
- 6.32** **Pollution** means any substance, solid, liquid, particulate, noise, gaseous or thermal irritant or contaminant including but not limited to smoke vapours, soot, fumes, acids, alkalis, chemicals or waste materials.
- 6.33** **Principal Organisation** means the entity or entities specified in item 2 of the **schedule**. **Principal organisation** does not include any **subsidiaries** or **outside entities**.
- 6.34** **Proof of loss** means documented evidence that the **policyholder** has sustained a direct **loss**. A **proof of loss** should include the following, however these items should not be seen as limiting the information which could form part of the **proof of loss**:
- a) The name of the entity claiming under the **policy**, and details of their relationship to the **policyholder**;
 - b) The policy number of the **policy**;
 - c) The name of the alleged **employee** or **third party** (if known);
 - d) A description of the events which led to the **discovery** of the **loss**;
 - e) A chronology of all relevant facts known;
 - f) A description of the alleged **employee** or **third party's** modus operandi;
 - g) Statutory Declarations from witnesses to the **internal crime** or **external crime**;
 - h) Complete documentary evidence to support that the **policyholder** has sustained a **loss**, **including but not limited to**: receipts, bank statements, requisitions, invoices, cash receipts, cheques or cheque butts;
 - i) Photographs, Video or Closed Circuit Television footage of the **internal crime** or **external crime** occurring;
 - j) Any internal investigation reports;
 - k) Police report/s and/or any statement/s made to the police;
 - l) A signed confession; and/or
 - m) Any other document or other form of evidence which may be relevant to the proof of a **loss** or quantification of a **loss**.
- 6.35** **Proposal** means the proposal form, submission and all other supporting documentation and attachments provided to us in the application for this **policy**.
- 6.36** **Public relations expenses** means the reasonable fees, costs and expenses of a public relations firm or consultant, or crisis management firm, or law firm retained by the **policyholder** with our prior written consent (which shall not be unreasonably withheld or delayed) to prevent or limit adverse effects or negative publicity in respect of:
- a) an **internal crime**; or

b) an **external crime**.

6.37 **Schedule** means the schedule attached to this **policy** or any **schedule** subsequently substituted for it during the **insurance period** and duly signed, stamped and dated by an authorised representative of **us**.

6.38 **Securities** means any negotiable or non-negotiable instruments or contracts (including shares, preference shares, stocks, debentures, warrants, options, bonds, promissory notes or other equity or debt security) representing money or property but excluding **money**.

6.39 **Subsidiary** means:

- a) any legal entity in which the **principal organisation** owns or controls, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors; or any entity which is deemed to be the **principal organisation's** subsidiary under any applicable legislation, law or International Accounting Standard.
- b) any legal entity that ceases to be a **subsidiary** of the **principal organisation** during the **insurance period** or prior to commencement of the **insurance period**, provided that the cover provided will only apply in respect of an **internal crime** or **external crime discovered** whilst the entity was a **subsidiary** of the **principal organisation**.
- c) any legal entity which is created or acquired by the **policyholder** during the **insurance period**, provided that the legal entity :
 - (i) has total gross assets which are less than 25% of the total gross assets of the **policyholder**; or
 - (ii) has gross annual turnover of less than 25% of the total gross annual turnover of the **policyholder**; or
 - (iii) has total gross assets which are less than 25% of the total gross assets of the **policyholder** in the United States of America or Canada.

The cover provided in this **policy** will only apply in respect of an **internal crime** or **external crime** which is **discovered** after the date of creation or acquisition.

6.40 **Theft** means the unlawful taking by a person of the **policyholder's** tangible property, **money** or **securities**.

6.41 **Third party** means any natural person other than:

- a) an **insured person** or **employee**;
- b) a person acting in collusion with an **employee**;
- c) a person who has a proprietary interest in the **policyholder**.

6.42 **Trustee** means an **insured** if validly appointed to act, and while acting in the capacity, as a trustee of a **fund**.

6.43 **Transaction** means any one of the following events:

- a) the **principal organisation** consolidates with or merges into or sells all or a controlling interest in its assets to any other person or entity or group of persons and/or entities acting in concert; or
- b) any person or entity, whether individually or together with any other person or persons, entity or entities becomes entitled to exercise more than 50% of the rights to vote at general meetings of the **principal organisation** or control the appointment of directors who are able to exercise a majority of votes at Board meetings of the **principal organisation**; or
- c) the insolvency of the **principal organisation**;
- d) the appointment of an administrator, liquidator, receiver, receiver and manager or court appointed manager to the **principal organisation**.

6.44 **We/Us/Our** means DUAL Australia Pty Limited, ACN 107 553 257 as agent of the Underwriters specified in Item 11 of the **schedule**.