



POLICY WORDING



INDIVIDUAL & FAMILY

Vero Liability Insurance Limited

Private Bag 92055 Auckland New Zealand

www.veroliability.co.nz



Contents

- Insuring Clause2**
- What We Cover2**
 - 1. Work Place Protection2
 - 2. Criminal Prosecution2
 - 3. Traffic Prosecution2
 - 4. Personal Contracts2
 - 5. Neighbours2
 - 6. Local Authority2
- Exclusions2**
 - 1. Events Before You Obtained the Policy2
 - 2. Legal Action2
 - 3. Domestic Problems3
 - 4. Government Disputes3
 - 5. Deliberate Events3
 - 6. Costs Before You Tell Us3
 - 7. Fines/Penalties/Damages3
 - 8. Certain Acts Excluded3
- Conditions3**
 - 1. Take Care3
 - 2. Tell Us3
 - 3. Appointing a Solicitor3
 - 4. Helping Us3
 - 5. Advancement of Costs3
 - 6. Legal Expenses3
 - 7. Appeals4
 - 8. Reviewing Costs4
 - 9. Recovering Costs4
 - 10. Good Faith4
 - 11. Cancelling the Policy4
 - 12. Bankruptcy4
 - 13. Reimbursement4
 - 14. Other Insurance Clause4
- Definitions4**
 - 1. Legal Action4
 - 2. Legal Expenses4
 - 3. Limit of Indemnity4
 - 4. Policy Deductible4
 - 5. Policy Year4
 - 6. Solicitor4
 - 7. We/Us/Our4
 - 8. You/Your/Yourself4



Insuring Clause

Where headings are used in this policy they are purely descriptive in nature and are not intended to be used for interpretative purposes.

1. We will pay or reimburse You for the Legal Expenses of defending Legal Action.
2. This policy consists of:
 - (a) Any written proposal, if requested and received;
 - (b) This policy wording;
 - (c) Any supporting information provided.
3. The validity of this policy depends on:
 - (a) If We have requested a proposal the accuracy of the answers in Your written proposal and any supporting information provided. They are the basis of Your insurance contract with us;
 - (b) You having paid the premium.
4. We will pay or reimburse You up to the Limit of Indemnity as defined in the Policy for all Legal Action(s) commenced against You and reported to Us during the Policy Year which are in excess of the Deductible as defined in the Policy.

What We Cover

1. Work Place Protection

Any alleged offence under any statute arising in the course of Your employment. But:

- (a) You must not have been charged with any similar offence in the 7 years before You obtained this policy; and
- (b) You must be intending to plead not guilty; and
- (c) Your plea of not guilty must be reasonable, based on the evidence, the law and the prospect of a successful defence; and
- (d) You must not have cover under any other policy, or otherwise be entitled to indemnity from any other source; and
- (e) In relation to any traffic prosecution:
 - (i) You must have been charged with an alleged offence or infringement under the Land Transport Act 1998, or Transport Act 1962, or their amendments; but
 - (ii) You must not have been charged with any of the following types of offences; alcohol/drug-related, logbook, overloading, road user charges, or speeding including dangerous or excessive speed;
 - (iii) You must be liable to be disqualified from driving; and
 - (iv) If You are under 24 years old at the date of the alleged offence, You must be at risk of being imprisoned for more than 3 months.

2. Criminal Prosecution

Any alleged offence under any statute, other than a traffic prosecution (see 3. below). But:

- (a) You must not have been charged with any similar offence in the 7 years before You obtained this policy; and

- (b) You must be intending to plead not guilty to all charges; and
- (c) Your plea of not guilty must be reasonable, based on the evidence, the law and the prospect of a successful defence.

3. Traffic Prosecution

Any alleged offence or infringement under the Land Transport Act 1998, or Transport Act 1962, or their amendments, for which You are liable to be disqualified from driving. But:

- (a) You must not have been charged with any similar offence or infringement in the 7 years before You obtained this policy; and
- (b) You must be intending to plead not guilty; and
- (c) Your plea of not guilty must be reasonable, based on the evidence, the law and the prospect of a successful defence; and
- (d) If You are under 24 years old at the date of the alleged offence, You must be at risk of being imprisoned for more than 3 months; and
- (e) You must not have been charged with any of the following types of offences; alcohol/drug-related, logbook, overloading, road user charges, or speeding including dangerous or excessive speed.

4. Personal Contracts

Any alleged breach of a personal contract, such as disputes with tradesmen and other household service providers, or the sale, purchase or rental of Your residence, vehicle or household item, but not disputes involving mortgages, loans, insurances or debts.

5. Neighbours

Any action by a neighbour against You alleging trespass, nuisance, negligence, removal of support, or fencing issue. But the action has to relate to a residential property, which You own or rent and You normally occupy.

6. Local Authority

Any action against You by a local authority. But the action has to relate to a residential property, which You own or rent and You normally occupy.

Exclusions

We will not be liable in relation to:

1. Events Before You Obtained the Policy

Legal Action arising from anything which, as at the date on which You first bought continuous LawSafe insurance from us, had already happened or is alleged to have already happened and/or was still happening or is alleged to have still been happening.

2. Legal Action

Legal Action arising from any:

- (a) Professional duties:
Alleged breach of professional duty, or duty as a director, trustee, or holder of a power of attorney;
- (b) Agreement under which You have agreed to accept a liability which You would not otherwise have had;

- (c) Family disputes/wills:
Dispute concerning a will, bequest, devise, contract to leave assets in a will, probate, Testamentary Promises claim, Family Protection claim, inheritance or gift;
- (d) Employment disputes;
- (e) Operation of a business.

3. Domestic Problems

Legal Action:

- (a) Between You and Your spouse, ex-spouse, domestic partner or ex-domestic partner;
- (b) By way of criminal prosecution in which a spouse, ex-spouse, domestic partner or ex-domestic partner, or any relative of them or of You, is a complainant/victim.
- (c) In relation to dissolution, maintenance, custody, access or property disputes.
- (d) In which more than one person within the definition of You:
 - (i) Is involved; and
 - (ii) Have conflicting positions and interests.

4. Government Disputes

Legal Action by or on behalf of any state agency involving any state-funded grant, income, revenue collecting, income-support, aid, subsidy, surcharge or assistance.

5. Deliberate Events

Legal Action which You have intentionally encouraged.

6. Costs Before You Tell Us

Legal Expenses for which You did not first get Our written consent.

7. Fines/Penalties/Damages

Fines, penalties, damages of any type or any other form of compensation payment, and interest.

8. Certain Acts Excluded

Any offence alleged to have been committed:

- (a) whilst in breach of any order made under the Domestic Violence Act 1995 or its amendments;
- (b) Under Fisheries legislation.

Conditions

1. Take Care

You must take all reasonable care and precautions to avoid any circumstances which might give rise to a claim under this policy.

2. Tell Us

You must give Us immediate notice in writing of any:

- (a) Circumstances which might give rise to a claim under this policy, as soon as You become aware of them. It does not matter whether or not You believe that:
 - (i) A claim is justified; or
 - (ii) Legal Action is likely.
- (b) Notice of any indication that someone intends or may intend to make a claim against You which might

result in Legal Action. It does not matter whether or not You believe that:

- (i) A claim is justified; or
- (ii) Legal Action is likely.
- (c) Claim against You which might result in Legal Action. It does not matter whether or not You believe that:
 - (i) A claim is justified; or
 - (ii) Legal Action is likely.
- (d) Document served on You in relation to Legal Action.

3. Appointing a Solicitor

You must not appoint a Solicitor to defend any Legal Action without first getting Our written consent, except in an emergency. We can:

- (a) Withhold or withdraw Our consent to any Solicitor whom You propose to appoint or have appointed;
- (b) Require You to appoint a Solicitor from Our preferred panel.

4. Helping Us

In relation to any Legal Action, You must:

- (a) Give Us all information and documents which We ask for;
- (b) Keep Us fully and continually informed of all significant developments;
- (c) Advise Us immediately of any offers of compromise, proposals, or recommendations to make any offers or compromise proposals;
- (d) Authorise and instruct Your Solicitor to do (a) to (c) above on Your behalf.

5. Advancement of Costs

If cover has been confirmed in writing then We may advance Your Legal Expenses as and when they are incurred.

6. Legal Expenses

We can immediately stop reimbursing Your Legal Expenses if:

- (a) You unreasonably refuse to follow Your Solicitor's advice about how the Legal Action should be conducted, including advice about making or accepting any offer, compromise or payment, or discontinuing the Legal Action or any step in it; or
- (b) You do not give Us or Your Solicitor full co-operation and assistance; or
- (c) A barrister of at least 15 years' experience advises Us that Your defence to the legal action has no reasonable prospect of being actually or economically successful (including, if the likely Legal Expenses are out of reasonable proportion to the likely outcome): and You decline to accept Our written instructions on how to resolve or terminate the legal action.



7. Appeals

We will not be liable for Legal Expenses in relation to any appeal unless We:

- (a) Receive written notice of Your intention to appeal at least 5 clear working days before any time limit for bringing the appeal expires; and
- (b) Have given Our prior written consent to the appeal.
- (c) Such appeal has a better than 50% chance of success based on Our reasonable view.

8. Reviewing Costs

If We instruct You in writing to so do You must direct Your Solicitor to have any account or fee referred to any appropriate officer, authority or body to be taxed, assessed or audited.

9. Recovering Costs

You must:

- (a) Let Us have any amounts which You recover on account of Legal Expenses; and
- (b) Co-operate with and assist Us in any steps which We want to take at Our own cost to recover these amounts.

10. Good Faith

If You put forward a claim which is any way intentionally exaggerated or fraudulent, or if You use any fraudulent means or devices to obtain a benefit under this policy, You will lose the entire benefit of this policy.

11. Cancelling the Policy

You may cancel this policy at any time by sending Us written notice. We may cancel this policy on the expiry of 14 days written notice sent to You at Your address.

12. Bankruptcy

Unless You notify Us and We agree in writing to continue Your cover under this policy, You immediately stop being insured under this policy if You:

- (a) Commit any act of bankruptcy; or
- (b) Are made bankrupt; or
- (c) Make any arrangement with creditors, including a composition or assignment.

13. Reimbursement

If You are charged with one or more offences arising out of the same general circumstances and are convicted of at least one such offence, and We have reimbursed/paid any Legal Expenses relating to the offences, We have the right to claim all the Legal Expenses from You.

14. Other Insurance Clause

If at the date on which the legal action commenced, You had Legal Expenses cover under another policy, or You are otherwise entitled to indemnity from any other source, (even if an excess applies) We do not have to reimburse Your Legal Expenses, even if the other policy has a condition to the same or similar effect, but We will provide cover to You until the availability of such other insurance or indemnity is determined provided You co-operate with Us in reviewing other insurance or indemnity entitlements.

Definitions

1. Legal Action

means any legal proceedings, including appeals, of the type in "What We Cover" above, in any court, authority or tribunal in New Zealand. But:

- (a) The alleged conduct must have taken place in New Zealand; and
- (b) You must have been first threatened with the Legal Action during the Policy Year; and
- (c) You must also have notified Us of the Legal Action during the Policy Year or within 28 days of its expiry.

2. Legal Expenses

means the amount(s) which You had to spend and which it was reasonable for You to spend, or which We incur, on defending Legal Action in relation to Solicitors' fees, expenses and disbursements.

3. Limit of Indemnity

means one hundred thousand dollars plus GST for any one claim and in total for all claims in the Policy Year in excess of the Policy Deductible.

4. Policy Deductible

means a minimum of five hundred dollars including GST or 5% of any claim whichever is the greater.

5. Policy Year

means the period of insurance stated in the issued policy invoice, certificate or schedule.

6. Solicitor

means any Solicitor, firm of Solicitors, barrister or Queens Counsel appointed to act for You in relation to any Legal Action.

7. We/Us/Our

means Vero Liability Insurance Limited.

8. You/Your/Yourself

means:

- (a) the person named in the policy invoice and his/her named spouse or domestic partner:
 - (i) Actually and normally residing with him/her, on the first date of the Policy Year; and
 - (ii) Still actually and normally residing with him/her at the date of which the Legal Action commenced;
- (b) and every person who may be in his/her immediate family:
 - (i) Actually and normally residing with him/her, or temporarily residing elsewhere as a student, on the first date of the Policy Year; and
 - (ii) Still actually and normally residing with him/her, or temporarily residing elsewhere as a student, at the date on which the Legal Action commenced.