

JLT RISK SERVICES AS MANAGING AGENT FOR
LUMLEY GENERAL INSURANCE (NZ) LTD
PUBLIC LIABILITY POLICY

INSURED : SOCIETY OF CREATIVE ANACHRONISM NZ INC

PREPARED BY : JARDINE LLOYD THOMPSON LTD
CHRISTCHURCH

DATE : 2004/2005

About Us

About Us - Lumley General Insurance (N.Z.) Limited

We are a wholly owned subsidiary of Edward Lumley Holdings Limited of the United Kingdom. We are one of New Zealand's largest general Insurers. We have gained competitive strengths by specialising in defined market segments offering specialist insurance knowledge, innovative products and the willingness to form long term relationships.

Fair insurance

As a member of the Insurance Council of New Zealand Inc We are committed to:

- clearly setting out as far as possible both Your and Our respective legal rights and obligations
- explaining the meanings of legal and technical words
- settling valid claims fairly and promptly. If We decline a claim, clearly explaining why We have declined it
- making sure You know how to make a complaint
- being financially sound as measured by the Council's Solvency Test.

We can give You a full copy of the Fair Insurance Code on request.

About this product

This Policy provides You with cover for Personal Injury or Property Damage of others. It is designed to cater for both small and large businesses, and is written in plain English for ease of understanding.

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Up front

Your Policy

1. Your Policy comprises:
 - this Policy document and the Coverage Summary We issued to You with this Policy document
 - the quotation form, the declaration You completed for Us and any other information You gave to Us before We issued this Policy to You, and
 - any endorsements and any other agreed modifications to the terms of this Policy document.

Deductibles

2. Any deductible stated in the Coverage Summary, or otherwise in the Policy, includes Goods and Services Tax, if any.

Meanings of words

3. Throughout this Policy We use words with particular meanings. The first letter of these words is in capitals. Their meanings are stated towards the end of this Policy document in the Meanings of words section.

Please read Your Policy and take advice

4. You should read Your Policy carefully. It states what We cover You for. You should talk to Your insurance adviser if there is anything You don't understand. In any event You should have Your adviser fully explain this Policy to You. It is important that You understand what We cover You for, how and when to make a claim, what You must tell Us and when You must do this, and what are Your other responsibilities.

Modifying Your Policy

5. If You are not happy with this Policy then You should speak to Your adviser about it. We may be able to modify it for You. However, if We do this then We may need to reassess the risks We cover You for under this Policy and the premium We charge. Further, if You change from this Policy then You may lose some of the benefits You have under this Policy.

What You should have told Us before We issued this Policy to You

6. We needed to know what the risks were that We were required to cover, so we could assess the likelihood of Your making a claim under this Policy.

Up front

7. We relied on Your completing the declaration completely, accurately and truthfully. We relied on Your telling Us everything that You know, or a reasonable person could be expected to know, which might affect Our decision to cover You as stated in this Policy. We needed to know these things so that We could decide:
 - whether to offer cover to You
 - what cover to offer to You
 - how much premium to charge You, and
 - whether any special conditions should apply.
8. If You have not done this then We are entitled to avoid this Policy from the very start (its inception), or end it immediately and make no payment at all following a claim. So if there is anything You think may be material to Us that You have not told Us about please talk to Your adviser immediately.
9. **Premium**

The cover We provide to You is given in consideration of the payment of the premium.

What You must tell Us after We issued this Policy to You

10. You must tell Us about anything that happens after We issued this Policy to You which increases the risks We cover You for under this Policy.

What We will cover You for

Nature of the cover We provide to You

11. The following must all apply to the liability We cover You for unless expressly stated otherwise:
- the liability results from Personal Injury or Loss or damage to the Property of others that happens during any Period of cover.
 - the liability results from an Occurrence that You did not intend or expect to happen.
 - the liability results from an Occurrence in connection with Your Business.
 - the liability results from an Occurrence which happens in the territories stated in the Coverage Summary.

Primary cover – Personal Injury or Loss or damage to the Property of others

12. We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others.
- Loss or Damage to the Property of others includes the loss of use of tangible Property of others which itself has not suffered physical loss or physical damage.

Limit of cover

13. We will cover You up to the limit of cover stated in the Coverage Summary, resulting from an Occurrence.
- 13.1 If any an Occurrence results in more than one claim made against You then all the resulting claims will be treated as one claim in relation to the limit of cover.
- 13.2 If more than one of You each make a claim resulting from the same Occurrence then all the resulting claims will be treated as one claim in relation to the limit of cover.
- 13.3 The cover We provide to You for liability arising directly or indirectly from Products is limited for all claims in the aggregate during the Period of cover to the limit of cover stated in the Coverage Summary.
- 13.4 The limit of cover is inclusive of all additional and optional covers and endorsements to this Policy unless expressly stated otherwise.

Deductible

14. We will not cover You for the deductible stated in the Coverage Summary resulting from an Occurrence. However, if there is a specific deductible for an additional or optional cover or endorsement then that deductible will apply.
- 14.1 You must pay this amount.
- 14.2 If a claim made against You involves more than one Occurrence then You must pay the deductible for each and every Occurrence.
- 14.3 If any one Occurrence results in more than one claim made against You then only one deductible will apply to all the resulting claims.

Additional covers – what We will also cover You for

Claim preparation expenses

15. If You are covered under this Policy as a result of something that has happened during the Period of cover then We will also cover You for:
- the reasonable expenses You incur directly in investigating, preparing, presenting, negotiating and settling Your claim under this Policy. This cover is included in the limit of cover.

Defence costs

16. If You are entitled to cover under this Policy We will also cover You for:
- the legal costs of litigation which You incur with Our written consent.
 - the costs of litigation which a claimant is entitled to recover from You.
- 16.1 This cover is in addition to the limit of cover.
- 16.2 We will cover You for this even if We consider the legal action against You appears groundless.

Forest and Rural Fires Act

17. We will cover Your legal liability to pay costs imposed on You by a Fire Authority under the Forest and Rural Fires Act 1977. However, the following conditions apply:
- We will not cover You for levies apportioned to You under sections 44 or 45 of the Act.
 - the limit of cover for liability under section 46 of the Act is the amount stated in the Coverage Summary, or if there is no amount stated then \$100,000, for each and every Occurrence. The limit of cover under section 43 of the Act, is the policy limit of cover.
 - the deductible payable by You is the amount stated in the Coverage Summary, or if no amount is stated then \$1,000, for each and every Occurrence.

Goods and Services Tax

18. If You are covered under this Policy We will also cover You for:
- any New Zealand Goods and Services Tax that You are liable to pay as a result of receiving any payment from Us under this Policy. This cover is in addition to the limit of cover. We will only cover You for this to the extent that We are entitled to obtain a refund for the tax.

Liability as an innkeeper

19. We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others arising from Your being an innkeeper, as defined under the Innkeepers Act 1962.

Liability as a repairer or servicer

20. We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others arising from Your having in Your care, custody or control for any reason including service, repair, modification, renovation or installation any of the following:
- Vehicles including their accessories and attachments.
 - Internal combustion engines including their accessories and attachments.

Cover

- Watercraft capable of being transported by trailer and not exceeding eight metres in length including their accessories and attachments.
- 20.1 At the time of the Occurrence, the Vehicles, internal combustion engines and Watercraft, and all their accessories and attachments, must not be owned, hired, leased or rented by, or lent to You.
 - 20.2 We will cover Your liability to pay for Loss or Damage to Property that is being carried in or on Vehicles or Watercraft that you have for service or repair whilst on a Vehicle on a public road but We will not cover You for anything else that You become liable to pay when Vehicles are on a public road.
 - 20.3 We will not cover Your liability for the cost of rectifying, repairing or replacing errors or defects in Your work or material used in Your work. However, We will cover You for liability for any resulting Loss or Damage to the Property of others or Personal Injury arising from those errors or defects.
 - 20.4 The limit of cover is the amount stated in the Coverage Summary, or if there is no amount stated then \$100,000, for each Occurrence.
 - 20.5 The deductible payable by You is the amount stated in the Coverage Summary, or if there is no amount stated then \$1,000, for each and every Occurrence.
 - 20.6 The “Care, custody and control”, “Service and Repair”, “Vehicles” and “Watercraft” exclusions do not apply to this additional cover.

Liability for lost keys

21. We will cover Your legal liability to pay for the costs incurred in altering or replacing locks arising from the loss of keys or access cards whilst they are under Your care, custody or control. However, the following conditions apply:
 - We will only cover You if the loss of any keys or access cards is immediately reported to the police and the person who is responsible for the premises for which the keys are used.
 - We will not cover You if the keys or access cards identify the name or address or situation of the locks they operate.
 - the limit of cover is the amount stated in the Coverage Summary, or if there is no amount stated then \$10,000, in the aggregate for all claims during the Period of cover.
 - the deductible payable by You is the amount stated in the Coverage Summary, or if there is no amount stated then \$200, for each and every Occurrence.

Liability for removal of support

22. We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others that arises directly or indirectly from vibration or from removal or weakening of, or interference with, support to buildings, structures or land. However, the following conditions apply:
 - the “Property – interference with its support” exclusion does not apply to this additional cover.
 - the limit of cover is the amount stated in the Coverage Summary, or if there is no amount stated then \$250,000, in the aggregate for all claims during the Period of cover.
 - the deductible payable by You is the amount stated in the Coverage Summary, or if there is no amount stated then \$2,500, for each and every Occurrence.

Mechanically propelled plant or machinery

23. We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others resulting from an Occurrence in connection with the use by You of mechanically propelled plant or machinery but only whilst the plant or machinery is being operated as such and not as a motor vehicle.

Overseas visits

24. We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others arising from an Occurrence that happens outside the territories stated in the Coverage Summary. However, the following conditions apply:
- the person responsible for causing the Personal Injury or Loss or damage to the Property of others must normally be a resident or domiciled in New Zealand at the time of the Occurrence.
 - if the Occurrence happens in either the United States of America or Canada (including their dependencies, mandated territories or protectorates) then the following further conditions apply:
 - We will not cover You for liability arising directly or indirectly from the discharge, dispersal, release or escape of any product, by-product, smoke, vapour, soot, hazardous substance, liquid, gas, waste, irritant, contaminant or pollutant.
 - We will not cover You for liability in connection with the ownership, lease or tenancy of premises situated in those countries.
 - We will not cover You for liability for any person who is working manually or is a supervisor of work
 - Your cover for costs under the additional cover “Defence costs” is included in the limit of cover and not in addition to it.

Product recall

25. If You are covered under this Policy We will also cover You for up to 75% of the costs for physically withdrawing or recalling from use Products which have given rise to the claim covered under this Policy. However, the following conditions apply:
- We must agree that such withdrawal is necessary to prevent further similar claims occurring.
 - the limit of cover is \$100,000 in the aggregate for all claims during the Period of cover.
 - the deductible payable by You is \$5,000 for each and every Occurrence.
 - the “Product recall” exclusion does not apply to this additional cover.

Property in Your care, custody or control and bailee’s liability

26. We will cover Your legal liability to pay for Loss or Damage to the Property of others in Your care, custody or control. However, the following conditions apply:
- You must not own, hire, lease or rent the Property, or be a carrier of the property.
 - We will not cover Your liability for Loss or Damage to land, buildings, Vehicles, or Watercraft in Your care, custody or control for You to service or repair. However we will cover you for legal liability for Loss or Damage to Vehicles belonging to others that happens in any car park associated with Your Business but not operated as a car park business by You, but this cover does not apply to Loss or Damage by Your vehicles where they are operating as a motor vehicle.
 - We will not cover You liability for Loss or Damage in excess of \$5,000 to temperature controlled goods of others resulting from any change of temperature of any refrigeration or cooling apparatus from any cause.
 - We will not cover You for liability for Loss or Damage to any livestock in your care, custody or control.
 - the “Care, custody and control” exclusion do not apply to this cover.
 - We will not cover You for Loss or Damage to the Property of others being carried by a crane. (For the purpose of this exclusion truck self-loaders, forklifts and lifts are not cranes).

Cover

- the limit of cover is the amount stated in the Coverage Summary, or if there is no amount stated then \$250,000, for each and every Occurrence.
- the deductible payable by You is the amount stated in the Coverage Summary, or if there is no amount then \$1,000, for each and every Occurrence.

Subcontractors

We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others that arises directly or indirectly from work performed by contractors or subcontractors under Your control in the course of Your performance of any contract for work or services in connection with the Business.

Underground services and installations

27. We will cover Your legal liability to pay for Loss or Damage to the Property of others to underground services or installations arising directly or indirectly from the excavation, digging or disturbance of ground. However, the following conditions apply:
- We will only cover You if You obtained copies of the plans of underground services or installations from the appropriate authorities, and You used the plans for the purpose of avoiding damage to the services or installations.
 - We will not cover You for any liability arising out of work carried out more than five metres below ground level.
 - We will not cover You if any work is carried out underground by directional drilling or a thrusting or boring machine.
 - the deductible payable by You is the amount stated in the Coverage Summary, or if there is no amount stated then \$1,000, for each and every Occurrence.

Exemplary damages for Personal Injury

28. We will cover Your legal liability to pay for claims for exemplary damages made against You by, or on behalf of, a person who has suffered Personal Injury in New Zealand. However, the following conditions apply:
- the claim must first be made against You during the Period of cover, and notified to us during the Period of cover or within 21 days after the end of the Period of cover. A claim is first made when a third party first indicates to You that the third party is holding You responsible, in part or in whole, for the Personal Injury.
 - the deductible payable by You is the amount stated in the Coverage Summary, or if no amount is stated then \$500, for each and every claim made against You.
 - the limit of cover is the amount stated in the Coverage Summary, or if no amount is stated it is \$250,000 for each and every claim, and \$500,000 in the aggregate for all claims made against you.
 - We will not cover You for any of the following:

Claims prior to the Period of cover

- Claims made, threatened, or in any way indicated against You and not notified to Us prior to the Period of cover starting.

Cover

Events prior to the Period of cover

- Claims arising from a fact or Occurrence that at the time the Period of cover starts, You knew, or should have known, may give rise to a claim against You.

Claims or Occurrences notified under any previous policy

- Claims notified or arising out of Occurrences notified, or which should have been notified, under any previous policy of insurance held by You.

Claims or Occurrences you disclose to us

- Claims arising out of any claim or Occurrence noted on the proposal or any other information You provided to us for the Period of cover or for any previous Period of cover.

Retroactive liability date

- Claims arising from Personal Injury or an Occurrence that caused Personal Injury where the Personal Injury or Occurrence occurred prior to the retroactive liability date stated in the Schedule.
- for the purposes of this additional cover only, the “Fines, penalties and damages” exclusion is amended by deleting the words “punitive and exemplary damages”.

Optional covers

These optional covers only apply, and form part of this Policy, if stated in the Schedule and the additional premium has been charged.

Inspection and defective design

29. We will cover Your legal liability to pay for Personal Injury or Loss or Damage to the Property of others resulting from:
- inspections and the issuing of certificates as required under the relevant legislation for Your occupation where You have not completed the work Yourself.
 - for any defective or inadequate design, formula or specification of a Product prepared by You.

However the following conditions apply:

- 29.1 the “Error or Omission” and “Product Design” exclusions do not apply to this additional cover.
- 29.2 We will not cover You for the improper or inadequate performance, quality or fitness of any Product warranted or represented by You.
- 29.3 The limit of cover is the amount stated in the Schedule, or if there is no amount stated then \$100,000, in the aggregate for all claims during the Period of cover.
- 29.4 The deductible payable by You is the amount stated in the Schedule, or if no amount is stated then \$1,000, for each and every Occurrence.

Liability for Loss or Damage to the Property of others being carried by a crane

30. We will cover Your legal liability to pay for Loss or Damage to the Property of others being carried by any crane. However, the following conditions apply:
- You must not own, hire, lease or rent, or have been lent the Property at the time of the Occurrence.
 - the “Care, custody and control” exclusion does not apply to this additional cover.
 - the limit of cover is the amount stated in the Schedule for each and every Occurrence.
 - the deductible payable by You is the amount stated in the Schedule, or if no amount is stated then \$5,000, for each and every Occurrence.

Exclusions

Exclusions – What We will not cover You for

ACC cover

31. We will not cover You for anything for which You are required to be covered by a registered insurer or by the Accident Compensation Corporation under the Accident Insurance Act 1998.

Acts or omissions

32. We will not cover You for any liability resulting directly or indirectly from or caused by Your deliberate, intentional, criminal, malicious or reckless acts or omissions.

Aircraft or aerial device

33. We will not cover You for any liability resulting directly or indirectly from an Aircraft or an aerial device.

Asbestos

34. We will not cover You for any liability resulting directly or indirectly from or caused by asbestosis and/or related diseases directly or indirectly in connection with:
- the mining, processing, transport, distribution and/or storage of asbestos or materials containing asbestos;
 - the manufacturing of asbestos products and/or storage of asbestos;
 - any process of decontamination, treatment or control of asbestos;
 - asbestos being present in any Property;
 - asbestos pollution or asbestos contamination.

Care, custody and control

35. We will not cover You for any liability in respect of Loss or Damage to the Property of others in Your care, custody or control. However, this does not apply to Your legal liability for Property Damage for the hire, lease, or rental of Premises occupied but not owned by You.

Defamation

36. We will not cover You for any liability resulting directly or indirectly from:
- a defamatory statement or defamatory publication made at Your direction if You know it to be false.
 - defamatory advertising, broadcasting articles, publications, telecasting or internet material by You or on Your behalf.

Employees

37. We will not cover You for any liability to any person, if it arises out of or in the course of the employment of that person by You, or through a breach of any duty You owe to a person whom You employ.

Error or omission

38. We will not cover You for any liability resulting directly or indirectly from:
- Any error or omission in Your advice, instructions or monitoring services however we will cover you for advice given in respect of goods or products You sell, service or repair where the advice is free and incidental to those goods, products or services.

Exclusions

- any error or omission in design, formula or specification.

Faulty workmanship

39. We will not cover You for any liability for the cost of rectifying faulty workmanship. However, this does not apply to liability for Personal Injury or Loss or Damage to the Property of others resulting from the faulty workmanship.

Fines, penalties and damages

40. We will not cover You for any liability for fines, penalties, or aggravated, punitive or exemplary damages.

Liability assumed by agreement

41. We will not cover You for any liability You have undertaken by agreement or deed unless You would have been liable anyway. However, this does not apply to liability assumed by You for the lease, hire or tenancy of Premises.

Medical advice or medical treatment

42. We will not cover You for any liability resulting directly from medical advice or medical treatment by You, or by anyone for whom You are responsible. However, this does not apply to any medical advice or medical treatment given by one of Your Employees who is trained to give the advice or treatment, so long as the medical advice or medical treatment is not given as part of Your normal Business.

Nuclear

43. We will not cover You for any liability resulting directly or indirectly from or caused by nuclear weapons material.

Pollution

44. We will not cover You for any liability resulting directly or indirectly from the discharge, dispersal, release or escape of any product, by-product, smoke, vapour, soot, hazardous substance, liquid, gas, waste, irritant, contaminant or pollutant. However, this does not apply if:

- the discharge, dispersal, release or escape takes place entirely at a specific time and place and is unintended and unexpected.
- on discovery, it is not permitted to continue or recur, and
- You satisfy Us that You took all reasonable measures to prevent the discharge, dispersal, release or escape.

Product design

45. We will not cover You for any liability resulting directly or indirectly from the improper or inadequate performance, design or specification of any Product.

Product recall

46. We will not cover You for any liability for costs for the withdrawal, inspection, repair, replacement or loss of use of:

- Your Products or work completed by or for You.
- any Property of which Your Products or work form a part if the Products, work or Property are withdrawn from the market or from use because of any known or suspected defect.

Products

47. We will not cover You for any liability resulting directly or indirectly from:

- any complete or partial failure by You to supply any service or Product.

Exclusions

- the loss of use of or repair or replacement of any defective Product or any Product harmful or unsuitable for its intended use.
- Products before they have passed from Your care, custody or control.
- Products that You knew would be installed in anything that is designed to travel through air or space.
- Loss or damage to any of Your Products.

Property – being worked on

48. We will not cover You for any liability to that part of any Property on which You are or have been working if the Loss or Damage is caused directly by that work. However this exclusion does not apply to Loss or Damage to any other separately identifiable component of that Property not worked on.

Property – interference with its support

49. We will not cover You for any liability in relation to Personal Injury or Loss or Damage to the Property of others resulting directly or indirectly from vibration or from removal or weakening of, or interference with, the support to buildings, structures or land.

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Property - loss of use of tangible Property

50. We will not cover You for any liability for the loss of use of tangible Property, or Loss or Damage to the Property of others resulting from either Your delay in performing a contract or the failure of Your Products or work to meet a level of performance, quality, fitness or durability You have represented.

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Radiation

51. We will not cover You for any liability resulting directly or indirectly from or caused by ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. In this exclusion “combustion” includes any self-sustaining process of nuclear fission.

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Service repair (Vehicles and Watercraft)

52. We will not cover You for any liability resulting directly or indirectly from the service or repair of Vehicles or Watercraft.

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USA or Canada and their territories

53. We will not cover You for any liability resulting directly or indirectly from:

- Your Product being exported with your knowledge to, or an Occurrence within, the territorial limits of the United States of America or the Dominion of Canada or their Territories, Dependencies or Protectorates other than expressly covered by additional cover Clause “Cover for overseas visits” in this Policy section.
- any claim or claims that result in a court, arbitral or other judgment order or award or any settlement thereof, being made against You in the United States of America and/or the Dominion of Canada or their Territories, Dependencies or Protectorates.

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Vehicles

54. We will not cover You for any liability resulting directly or indirectly from the ownership, possession or use by You of a Vehicle, whilst being used as a Vehicle and that is required by law to be registered for road use. However, this does not apply to any liability arising from the loading or unloading of a Vehicle or the bringing to or taking away of a load from a Vehicle.

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Exclusions

War

55. We will not cover You for any liability resulting directly or indirectly from or caused by war, invasion, act of foreign enemy, hostilities or warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, insurrection, or military or usurped power.

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Watercraft

56. We will not cover You for any liability resulting directly or indirectly from the ownership, possession or use by You of any Watercraft exceeding 8 metres in length.

Welding

57. We will not cover You for any liability resulting directly or indirectly out of the use of electric, oxy-acetylene or similar welding or cutting equipment. However, this does not apply if:

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- the area in which such work is to be carried out is adequately cleaned and combustible material removed to a safe distance from the work,
- a suitable fire extinguisher is to be kept available for immediate use at all times,
- a thorough examination is made of the area in which the work was undertaken after the termination of each period of work and then at least one hour later, to ensure that there are no sparks or other hot material present.

War and Terrorism

58. This Policy does not insure death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any of the following regardless of any other contributing cause or event:

- (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 of Terrorism.
For the purpose of this Exclusion, Terrorism means an 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) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.

This Policy also excludes death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any action taken in controlling, preventing, suppressing or in any way relating to, the above Exclusions.

Conditions

Making a claim

59. If something happens that may entitle You to make a claim under this Policy, You must:

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- take all reasonable steps to prevent or minimise any further Loss or Damage, financial loss, fines, liability, expense or cost.
- take all reasonable steps to preserve any damaged Property.
- not admit liability or guilt, incur any cost, make any payment, settle any claim or potential claim by a third party, or do or say anything else which may prejudice Our ability to defend the claim or prosecution, or potential claim or prosecution, without Our written consent.
- immediately tell Us about it, and then as soon as possible send to Us written confirmation and full details of what happened, including Our completed claim form.
- immediately send Us any letter of demand, advice of claim against You, summons, court documents, information about any intended prosecutions, inquiries or inquests, and any other information You receive relating to the Occurrence.
- immediately tell the Police if You suspect what happened resulted from criminal activity, if You are otherwise legally required to do so or if the Property is lost or stolen.
- give Us all other information and assistance We reasonably ask for in relation to both what happened and to any claim You make under this Policy.

Innocent misrepresentation

60. Your right to be covered under this Policy will not be prejudiced by Your making an innocent misrepresentation in the information You have given to Us. This applies unless You fail to notify Us of Your misrepresentation as soon as reasonably practicable after You discover it.

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We can pay You the limit of cover

61. We are entitled at any time to pay to You the limit of cover stated in the Coverage Summary (less any sum already paid as compensation) or any lesser amount for which the claim or claims arising from the Occurrence can be settled. On making that payment our liability in respect of the Occurrence will cease except for costs incurred prior to the payment being made.

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Progress payments

62. If You are entitled to cover under this Policy, We will make progress payments of Your claim to You on Your producing acceptable evidence in support of Your claim.

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We are entitled to investigate, defend and settle claims

63. We are entitled to take over from You and investigate, defend or settle any claim or potential claim by, or against, a third party in Your name.

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63.1 We are also entitled to publish a retraction or apology in the case of any defamation proceedings.

63.2 We are also entitled to appoint a solicitor, loss adjuster, expert or any other person to act in relation to Our investigating, defending or settling of the claim or potential claim.

Conditions

63.3 You must provide Us with all information, records, statements and assistance (including appearing at conferences and court hearings) necessary to investigate, defend or settle a claim or potential claim by a third party. This may include You or any other person submitting to an examination under oath. If You do not do this We are entitled not to pay Your claim.

Subrogation – recovering money from third parties

64. If We agree to cover Your claim, We can require You to take action to enforce any rights You have to recover the Loss or Damage, fines, liability, costs or expense You have suffered. However, instead, We can choose to exercise Our right of subrogation for the full amount of Your Loss or damage, fines or penalties, liability or expense and to take action Ourselves in Your name. Alternatively, We can require You to assign Your rights to Us.

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64.1 You must not do anything which could prejudice any rights You or We have to recover from someone else.

64.2 If We decide to require You to take recovery action, You must do everything We reasonably ask You to do. You must do so diligently. You must keep Us informed of the action You take.

64.3 If We decide to exercise Our right of subrogation, You must give Us all the help We ask for. This includes the signing of documents – for example, court documents or power of attorney.

64.4 If any Act or other statutory regulations require You to “hold harmless” any party for Loss or Damage to Property then We will waive Our rights of subrogation against that party.

What You must do during the Period of cover

65. You must do each of the following during the Period of cover:

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- You must immediately notify Us of any change in Your Business, or other circumstances You become aware of, which increases the chance of a claim being made under this Policy during the Period of cover.
- You must not be reckless and:
 - only employ competent Employees.
 - avoid Personal Injury, Loss or Damage to Your Property or to the Property of others or to Your Vehicles.
 - prevent the manufacture, sale or supply of defective Products.
 - comply with all statutory obligations.
 - maintain all Property in a safe and sound condition.
- You must take all reasonably practicable steps to keep all Property safe and secure.

Your ending this Policy

66. You are entitled to end this Policy at any time by advising Us in writing of this. We will refund the premium relating to the balance of the Period of cover calculated on a pro-rata basis, less Our normal charge for a short period premium.

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Our ending this Policy on notice

67. We are entitled to end this Policy at any time by giving You 30 days written notice to Your usual place of Business or the address stated in the Coverage Summary.

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67.1 We will refund the premium relating to the balance of the Period of cover calculated on a pro-rata basis.

67.2 This Policy ends at 4 pm on the 30th day after the date of Our written notice.

Conditions

Our other rights

68. We are entitled to immediately, and at Our sole discretion, avoid this Policy from inception or end this Policy or decline any claim if:

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- You breach the duty of utmost good faith You owe Us.
- You breach the duty of disclosure You owe Us.
- before the Period of cover commences You make a material misrepresentation to Us.
- You fail to comply with a provision of this Policy.
- You make, or anyone acting on Your behalf makes, a dishonest claim under this Policy or a dishonest statement in support of a claim under this Policy.

68.1 If We end this Policy in these circumstances then You are not entitled to any refund of premium.

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68.2 We will notify You in writing of our taking one of these actions.

Acts of Parliament

69. Where this Policy refers to an Act of Parliament this includes any Regulations made under it. It also includes any Acts or Regulations enacted in substitution.

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Adjusting Your premium

70. If the premium for this Policy is based on estimates You have given Us, We are entitled to require You to give to Us a statement of the actual figures for the amounts which were estimated, within 30 days after the Period of cover ends or at the time this Policy is ended.

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70.1 You must keep an accurate record of all transactions and other things which might affect those estimates, and allow Us to inspect that record whenever We want to.

70.2 We are then entitled to adjust the premium to reflect the actual amounts. If the premium is adjusted up then You must pay to Us as soon as possible the additional premium. If the premium is adjusted down We will repay to You the reduction in the premium subject to any minimum premium charge.

Amounts in New Zealand dollars

71. All amounts stated in this Policy are in New Zealand dollars.

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Assignment

72. You cannot assign this Policy, or any interest under this Policy, without Our prior written consent.

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Compliance with this Policy

73. You must do or comply with everything this Policy requires You to do or comply with, and the truth of the statements and answers in the declaration, are conditions precedent to any liability We have to cover You for anything under this Policy.

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Governing law

74. This Policy is issued in New Zealand. The laws of New Zealand apply to any disputes arising between You and Us in connection with this Policy. Any proceedings relating to this Policy must be brought and heard in New Zealand.

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Conditions

Inspection

75. We are entitled to inspect Your Premises or Property, or anything else You use in Your Business, at any time. However, this condition does not impose any obligation on Us to inspect. Further, whether We inspect, and if We do, the result of Our inspection does not affect in any way Your obligations under this Policy.

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More than one Insured

76. Where more than one person is named as “You (the Insured)” in the Coverage Summary, cover applies as though individual policies have been issued to each of You. However, this does not increase the limit of cover. For the purposes of deciding whether to accept a claim under this Policy made by any of You, the knowledge of any other person insured and statements made by that other person will not be imputed to the claimant.

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Other insurance

77. You must tell Us if You have:

- or take out, any other insurance for any risks covered by this Policy, or if You become aware that someone else has done so.
- any other insurance covering all or part of the same loss, damage or liability which You make a claim for under this Policy.

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77.1 You must make any claim You are entitled to make under the other insurance policy or policies. If You are entitled to cover under any other policy of insurance We shall not be liable to pay or contribute to the Personal Injury or Loss or Damage.

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77.2 If You did not tell Us about the other insurance We are entitled to refuse to accept any claim You make under this Policy.

You become bankrupt or insolvent

78. If You become bankrupt or insolvent following an Occurrence this does not affect Our covering You under this Policy.

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Common meanings

Meanings of words

79. The following words have the following meanings wherever they appear in this Policy unless the context requires otherwise:

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Aircraft

Means any machine, craft or thing intended to fly or move in or through the atmosphere or space.

Business

Means Your Business as stated in the Coverage Summary and as described in the declaration and in other information You give Us.

Coverage Summary

Means the current Coverage Summary issued to You.

Employee

Means a person You employ in the Business and from whose remuneration You deduct PAYE, including any temporary person while working for You in connection with the Business.

Intangible Property

Means Property that cannot be clearly defined and includes, but is not restricted to; goodwill and electronic data.

Loss or Damage

Means physical loss or physical damage of tangible Property which You did not expect nor intend to happen.

New Zealand

Means anywhere in New Zealand including waters within the Territorial Limits of New Zealand or as otherwise stated in the Coverage Summary.

Occurrence

Means an event resulting in Personal Injury or property Damage to the Property of others including continuous or repeated exposure to substantially the same conditions, or a series of events resulting from, or attributable to, one source or original cause.

Period of cover

Means the period during which We cover You under this Policy. It starts and ends at the times and on the dates stated in the Coverage Summary.

Personal Injury

Means:

- death, bodily injury, sickness, disease, disability, shock, mental anguish or mental injury to others.
- false or wrongful arrest, false imprisonment, detention or eviction of others.
- defamation of others.
- invasion of privacy of others.

Common meanings

- assault or battery of others that is not committed by You or at Your direction.

However the infringement of civil rights committed by You or at Your direction in the knowledge that the infringement was false or wrongful is not covered.

Policy

Means the quotation form, the declaration and any other information You gave to Us before We issued this Policy to You, this documents and its Coverage Summaries, and any endorsements and any other agreed modifications to the terms of this Policy document.

Property

Means real and personal property. However it does not include Intangible Property.

Premises

Means the locations stated in the Coverage Summary or anywhere else within New Zealand where You conduct Your business.

Product

Means:

- any goods, including food and drink (and in each case their container or packaging) which are sold, supplied, distributed, manufactured, repaired, altered, constructed, renovated, erected, installed, serviced or treated by You.
- that part of any property You repair, alter, construct, renovate, erect, install, service or treat but not any other separately identifiable components of that property.

Vehicle

Means any type of machine on wheels, or on caterpillar trucks, made or intended to be propelled by its own power.

Watercraft

Means anything intended to float on, travel in, through or under the water.

We, Us, Our

Means Lumley General Insurance (N.Z.) Limited.

You, Your

Means the person(s) or entity(ies) named as “You (the Insured)” in the Coverage Summary and includes the following if they are domiciled in New Zealand:

- any subsidiary company (including its subsidiaries) of You and any other organisation under Your active management control.
- any director, employee, partner or shareholder of Yours but only while acting within the scope of their duties in that capacity.
- any social or sporting club formed with Your consent, including its officers and members.
- any principal of Yours but only in respect of the liability of the principal arising out of the performance by You of any contract for the performance of work or services in connection with the Business.

Common meanings

Your Property

Means real and personal property, wherever located which You own, rent, lease, or for which you are responsible and for which You are liable in the event of Loss or Damage to it. However, it does not include intangible property.

Schedule

Policy Schedule

THE INSURED: Society of Creative Anachronism NZ Inc

POLICY NO: JLT LUMFacility 2001

ADDRESS: C/ - P O Box 13-501, Christchurch

BUSINESS: Community Group

PERIOD OF INSURANCE: **From** 1 November 2004 **To** 30 June 2005 **At 4.00pm**

LIMIT OF INDEMNITY: \$1,000,000 Any one claim any one occurrence.

EXCESS: \$250 Each and every claim, except for any specific deductible.

The cover provided by the Company under this Policy is given in consideration of the payment of the premium and in reliance upon the Insureds written proposal and declaration which forms the basis of this Policy.

This Policy has been issued November 2004.

Signed
For and on behalf of JLT Risk Services as managing agent for Lumley General Insurance (NZ) Ltd

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