

The indemnity

We will indemnify *you* for all amounts *you* become legally liable to pay as direct compensation consequent upon:

- (a) *personal injury*; or
- (b) *damage to property*;

happening within the *geographical limits* during the *period of insurance* as a result of an *occurrence* in connection with the *business*.

Limit of indemnity

The total amount payable by *us* for all amounts in respect of:

- (a) one *occurrence* or series of *occurrences* as a result of or attributable to one source or original cause;
- (b) any one *period of insurance* for all claims in respect of *products*; and
- (c) any one *period of insurance* for all claims in respect of releases (including discharge, dispersal, seepage, migration and escape) of *pollutants*;

will not exceed the limit of indemnity shown in the *schedule* irrespective of the number of parties entitled to indemnity under this public liability section.

For the purposes of establishing the total amount payable by *us* for one *period of insurance* it is understood that any releases of *pollutants* as a result of or attributable to one source or original cause (regardless of whether the release is continuous or intermittent) will be considered as one release.

If we accept a claim under this public liability section we will pay, in addition to the applicable limit of indemnity, *defence costs* for any actual or threatened legal action against any of the *persons insured*.

Automatic extensions

These automatic extensions form part of this public liability section and are subject to all its provisions (unless otherwise stated). The total of all payments made under these automatic extensions will be part of and not in addition to the applicable section limit of indemnity unless otherwise stated.

If there is any conflict or inconsistency between this public liability section and the extension, only the extension will apply. If there is any conflict or inconsistency between the extensions, only the more particular extension will apply.

1. Defamation

Notwithstanding exclusion 6 of this public liability section we will cover *you* for *your* legal liability for defamation or invasion of right of privacy, excluding claims arising out of defamation:

- (a) when the first publication was made before the commencement of the *period of insurance*; or
- (b) made at the direction of any of the *persons insured* with knowledge of its falsity; or
- (c) made in the course of or relating to:
 - (i) advertising, broadcasting or telecasting activities;
 - (ii) activities using the internet, intranet or the world wide web;
 - (iii) publication of newspapers, journals, books or periodicals;
 conducted by or on behalf of any of the *persons insured*;

provided that *our* liability for direct compensation for defamation or invasion of right of privacy will not exceed the lesser of the limit of indemnity of this public liability section of the policy or \$250,000.

2. Employees personal effects

Notwithstanding exclusion 8 of this public liability section we will cover *you* for *your* legal liability to pay direct compensation as a result of *damage* to the personal effects of *your* employees.

3. Indemnity to landlord

Notwithstanding exclusion 11 of this public liability section we will cover *you* for *your* legal liability under a lease agreement to indemnify *your* lessor against third party actions, suits or demands to pay direct compensation for *personal injury* or *damage to property*.

4. Landlord's liability

We will cover *you* for *your* legal liability to pay direct compensation as a result of *personal injury* or *damage to property* arising in connection with *your* legal ownership, but not physical occupation, of any premises.

5. Mechanical plant and machinery

We will cover *you* for *your* legal liability to pay direct compensation as a result of *personal injury* or *damage to property* arising in connection with any tool of trade or item of mechanically propelled plant or item of machinery that is being operated as such independent of any *vehicle* whether or not it is attached to a *vehicle* and not operated solely as a *vehicle*. Exclusion 17 does not apply to this extension.

6. Tenant's liability

Notwithstanding exclusion 15 of this public liability section we will cover *you* for *your* legal liability to pay direct compensation as a result of *damage* to premises (including their fixtures and fittings) leased or rented by *you* or in *your* custody or control but not owned by *you*, or for *damage to property* in business premises that *you* temporarily occupy, but excluding legal liability arising in connection with the failure of *you* or the *persons insured* to arrange insurance on the property.

Exclusions

Refer also to the general exclusions of this policy.

We will not be under any obligation to indemnify *you* or any other insured under this public liability section for legal liability for *personal injury* or *damage to property*:

1. Advice, design, formula or specification

Arising in connection with error or omission in:

- (a) advice, directions, instructions, markings or warnings given or omitted to be given; or
- (b) design, formula or specification;

but not design, formula or specification of *products* up to a limit of indemnity of \$250,000 inclusive of any *defence costs* for any one *period of insurance*.

2. Aerial device products

Directly or indirectly caused by *products* intended specifically for, and installed in or on, any *aerial device*, or directly or indirectly caused by or arising in connection with *products* that any of the *persons insured* knew would be so installed where such *products* are essential to the operation or navigation of any *aerial device*.

3. Asbestos

Directly or indirectly caused by or arising out of or in connection with:

- (a) the inhalation of;
- (b) exposure to;
- (c) fears of the consequences of inhalation of or exposure to;
- (d) cleaning up, removal of; or
- (e) damage to or loss of use of any property arising out of;

asbestos, asbestos fibres or any derivatives of asbestos.

4. Building defects and mould

In respect of any *building* or structure directly or indirectly caused by or arising in connection with:

- (a) the action or effects of *micro-organisms*, mould, fungi, mildew, rot, decay, gradual deterioration, bacteria, protozoa or any similar or like forms; or
- (b) the failure of any *building* or structure to comply with or perform to the requirements of any building code or to meet the level of performance, quality, fitness or durability of its intended purpose; or
- (c) the failure of any *building* or structure to contain or incorporate materials, a design, a system or a standard of work which effectively prevents or manages the presence or penetration of moisture or water to which the *building* or structure might reasonably be subjected.

In addition, we will not be liable to indemnify *you* for any costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating or disposal of, or in anyway responding to or assessing the effects of *micro-organisms*, mould, fungi, mildew, rot, decay, gradual deterioration, bacteria, protozoa or any similar or like forms.

This exclusion will not exclude any indemnity for *personal injury* or *damage to property* that is caused by or arises out of leakage of internal water pipes, cisterns or sewerage systems.

5. Clean up costs

Arising in connection with any obligation on any of the *persons insured* to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise or in any way respond to or assess the effects of *pollutants* on structures, premises, sites or land currently or previously owned, occupied, used by or under the control of any of the *persons insured* where the obligation arises out of such ownership, occupancy, use or control by any of the *persons insured*.

6. Defamation

Arising in connection with defamation.

7. Defective work

Where *your* liability is for the cost of performing, completing, correcting or improving any work done or undertaken by any of the *persons insured*. This exclusion will not apply to legal liability for resultant *damage* to other separate property or parts that any of the *persons insured* have not been working on.

8. Employees and IPRC Act

To or of:

- (a) any *employee* other than (b) and (c) of the *employee* definition; or
- (b) any person where the *injury* falls within the scope of cover provided by the Injury Prevention, Rehabilitation and Compensation Act 2001 (or any replacement Act) and subsequent amendments or any liability imposed by the provisions of any workers compensation legislation or any accident compensation legislation or any industrial award or agreement or determination.

9. Fines and penalties

In respect of any fines, penalties, reparation, exemplary, aggravated or liquidated *damages*.

10. Fraudulent or criminal intent

Directly or indirectly caused by any act or omission having fraudulent, dishonest, criminal or malicious intent.

11. Liability under agreement

Arising out of or in connection with liability assumed under an agreement unless such liability:

- (a) would have attached in the absence of such agreement;
- (b) is assumed by any of the *persons insured* under a warranty of fitness or quality, or is implied by law, in respect of *products*;

but this extension of cover does not apply to *damage to property* that is the subject of the agreement.

12. Pollutants

Directly or indirectly caused by or arising out of *pollutants* unless caused by or arising out of an identifiable, unexpected and accidental release (including discharge, dispersal, seepage, migration and escape) of *pollutants* that commences during any *period of insurance* and is:

- (a) detected within 7 days of its commencement; and
- (b) reported to *us* within 7 days of its being detected.

The commencement of any intermittent release will be deemed to be at the start of the first release of the series.

13. Product repair or replacement

In respect of any amount payable for the cost of recalling, withdrawing, replacing or repairing *products* or of making any refund on the price paid for *products*.

14. Professional duty

Arising out of a breach of the duty owed in a professional capacity by any of the *persons insured*, but this exclusion does not apply to services rendered by members of *your* own first aid or ambulance services.

15. Property in care, custody or control

Owned, occupied or held in trust by or in the care, custody or control of any of the *persons insured* other than:

- (a) premises that are not owned or rented by any of the *persons insured* but at which any of the *persons insured* is undertaking work in connection with the *business*;
- (b) property in *your* care, custody or control in any free car park operated by *you*.

16. Underground services

Consisting of underground services, pipes or cables or legal liability arising out of that *damage* regardless of how the *damage* is caused unless the *person insured* has taken all reasonable steps immediately prior to the commencement of the work to establish the position of such services and has taken all reasonable steps to avoid *damage* in which case the *excess* shown in the *schedule* for Underground Services will apply to all such valid claims.

17. Vehicles

Caused by the ownership, possession, maintenance or use by any of the *persons insured* of any *vehicle* that is or should have been registered or is otherwise insured in respect of the same liability.

However if the *person insured* is not entitled to indemnity under any other policy this exclusion will not apply to claims arising from:

- (a) the loading or unloading of a *vehicle* or the bringing to or taking away of a load from a *vehicle*; or
- (b) the use of the *vehicle* as a tool of trade and not use as a motor vehicle.

18. Vibration or weakening of support

Directly or indirectly caused by vibration or by the withdrawal or weakening of support of any structure or land.

19. Watercraft and aircraft

Directly or indirectly caused by the ownership, possession, operation, repair, maintenance or use by any of the *persons insured* of any:

- (a) *aerial devices*;
- (b) *watercraft* exceeding 8 metres in length.

Conditions

Refer also to the general conditions of this policy.

1. Change of business

If any change occurs in the *business* that increases the risk of insuring *you*, then *you* will give written notice to *us* within a reasonable period of becoming aware of such change.

2. Contribution to costs

Where the amount paid to settle any liability claim against *you* or any *insured* exceeds the limit of indemnity for this public liability section *our* obligation to pay *defence costs* under this public liability section is limited to a proportion of the *defence costs* that is equivalent to the proportion that the limit of indemnity bears to the total amount paid.

This condition only applies when *we* have not exercised *our* right under the payment of limit of indemnity condition.

3. Cross liability

Any claim made by a *person insured* against any other *person insured* will be treated as though the party so claiming is not a *person insured*. Where more than one party is described as an *insured* each such party will constitute a separate *person insured* for the purpose of this clause.

Provided that nothing contained in this condition:

- (a) will operate to increase the limit of indemnity shown in the *schedule*;
- (b) overrides the provisions of General Condition 9 (Joint Insurance).

4. Duty of care

The *persons insured* will take reasonable precautions to prevent *personal injury* and *damage to property* and to:

- (a) comply with all obligations and *regulations* set out in any legislation applicable or imposed by any authority;
- (b) maintain premises and plant and everything used in the *business* in proper repair; and
- (c) at their own expense remedy any defect or eliminate any danger that may give rise to *personal injury* or *damage to property*.

5. Excess

The claim will be adjusted net of the *excess* shown in the *schedule* which *you* must contribute as the first amount of any claim arising from each and every *occurrence* inclusive of *defence costs*.

6. Jurisdiction

This insurance will not apply to any judgement delivered by a court outside New Zealand (or any judgement, registration or order obtained in New Zealand to enforce that same judgement) where the *persons insured* are represented in a country outside New Zealand by or through any:

- (a) branch;
- (b) trading division;
- (c) subsidiary;
- (d) associated company or companies; or
- (e) *employee* or company holding a power of attorney on behalf of any of the *persons insured*.

This condition does not apply to the activities of the *persons insured* who have a normal place of residence in New Zealand and are away from New Zealand for a short time in connection with the incidental performance of clerical, managerial, marketing or sales responsibilities but not the performance of actual assembly, construction, dismantling, farming, manufacture, renovation or repair work and not involving the performance of any other physical work of a manual nature or in respect of a trade.

7. Payment of limit of indemnity

We may at any time pay to *you*, or at *our* discretion to any of the *persons insured* claiming to be indemnified, the appropriate limit of indemnity (after deduction of any amounts already paid) or any lesser amount for which a claim or claims can be settled. Following payment under this condition we will relinquish control of the claim or claims and we will be under no further liability in connection with it, except for costs and expenses incurred before the date of the payment.

8. Premium adjustment

If any part of the premium or renewal premium is based on estimates furnished by *you*, *you* will keep an accurate record containing all relative particulars and will allow *us* to inspect such record. *You* will within a reasonable period of the expiry of each *period of insurance* furnish such information as *we* may require. The premium or renewal premium will be adjusted and the difference paid by or allowed to *you*.

Additional extensions and memoranda

Each of the following extensions or memoranda will have no effect unless there is a statement in the *schedule* that the particular extension or memorandum will apply. They are subject to all the provisions of the policy and of this public liability section (unless otherwise stated). If there is any conflict or inconsistency between this public liability section and the extension or memorandum, only the extension or memorandum will apply. If there is any conflict or inconsistency between extensions or memoranda, only the more particular extension or memorandum will apply.

Additive products PLB500

We will not cover *you* under this section in respect of damage to or loss of any mixture of which any product supplied by any of the *persons insured* is a constituent.

Property in care, custody or control PLB501

We will cover *you* for *your* legal liability to pay direct compensation as a result of *damage to property* in the care, custody or control of any of the *persons insured*.

However we do not cover *your* legal liability for *damage to property*:

- (a) in respect of which and to the extent that any of the *persons insured* have agreed to provide insurance;
- (b) owned, leased, rented or hired by any of the *persons insured* or under any hire purchase or conditional agreement;
- (c) being land or *buildings* including their fixtures and fittings;
- (d) being *vehicles* or *watercraft* held for service or repair; or
- (e) being property in storage and in the care, custody or control of any of the *persons insured* while they store the property as a bailee for reward.

Our liability will not exceed the limit of indemnity shown in the *schedule* for this extension.

An excess of \$1,000 will apply to claims under this extension unless an alternative amount is shown in the *schedule*.

The Property in care, custody or control exclusion does not apply to this extension.

Burning in the open air PLB502

It is a condition of this section that when *you* burn in an open air location that the following precautions will be complied with on each occasion:

- (a) fires to be in a cleared area and at a distance of at least nine metres from any property;
- (b) fires not to be left unattended at any time;
- (c) a suitable fire extinguisher to be kept available for immediate use; and
- (d) fires to be extinguished at least one hour before leaving the site.

Concrete products PLB504

We will not cover *you* under this section for *your* legal liability for *damage* to any building or other structure incorporating concrete products supplied by any of the *persons insured* where the *damage* is caused by those products.

Deep frying equipment PLB507

If on any premises owned or occupied by *you* there is any deep frying with oil or fat *you* warrant that:

- (a) each vat is fitted with a close-fitting steel lid that is shut when the vat is not in use;
- (b) a fire blanket is installed in a conspicuous place in the vicinity of, but at a safe distance away from, the frying operation and that the fire blanket is readily accessible for immediate use at all times during any deep frying operation;
- (c) a fully charged multi-purpose extinguisher of not less than 2.25kg capacity or a fully charged extinguisher specifically designed for use on flammable liquid fires is installed in a conspicuous place in the vicinity of, but at a safe distance away from, the frying operation and is accessible for immediate use at all times during any deep frying operation;
- (d) all thermostats, pans, blankets and extinguishers are at all times maintained in good working order;
- (e) extraction filters are cleaned weekly and extraction flues and ducting inspected monthly and cleaned as necessary;
- (f) where the fryer is an electric fryer a separate non-adjustable manual reset thermostat is fitted to it and set to disconnect the power supply when the temperature of the cooking liquids reaches 240 degrees centigrade; and
- (g) all cooking liquids for disposal are at all times stored in a metal bin with a close-fitting metal lid until removal from the premises.

If *you* are not the occupier of the premises or operator of the equipment *you* will in writing instruct the occupier and operator to carry out the requirements in (a) to (g) above to ensure that the terms of this warranty are met at all times.

Drugs clinical trials PLB508

We will not cover *you* under this section for *your* legal liability for *personal injury* arising in connection with clinical trials.

Fire risk work away PLB510

It is warranted that in respect of the application of heat involving a naked flame or open heat source that takes place away from *your* own premises the following precautions will be complied with on each occasion:

- (a) the area of the work will be cleared of combustible material for a safe distance from or beneath the place where such work is being carried out. A safe distance will be not less than six metres when welding or cutting operations are carried out. Where such precautions are impracticable such material will be covered with fireproof blankets or similar protective equipment. Combustible parts of premises will be similarly protected;
- (b) a fire extinguisher of a type and capacity suitable for the combustible material and the premises will be kept immediately adjacent to the area of work and available for immediate use;
- (c) equipment will be lit or switched on for as short a time as possible before use and extinguished immediately after use;
- (d) lighted or heated equipment will not be left unattended;
- (e) a thorough examination for any signs of combustion will be made within or below the area in which work has been undertaken half an hour after the termination of each period of work;
- (f) before applying heat to metal built into or projecting through walls, floors or ceilings an examination will be made to ensure that the other end of the metal is not in hazardous proximity to combustible material.

Forest and Rural Fires Act PLB511

We will cover *you* for *your* legal liability under the Forest & Rural Fires Act 1977 (or any replacement Act) and any subsequent amendments for:

- (a) costs and levies under sections 43 and 46 incurred and apportioned by any fire authority; or
- (b) costs claimed by any other party in order to protect their property from fire.

This extension will apply:

- (a) whether or not *damage to property* has occurred; and
- (b) to *vehicles*, whether or not the *vehicle* is or should have been registered.

An excess of \$1,000 will apply to claims under this extension unless an alternative amount is shown in the *schedule*.

Our liability under this extension will not exceed the limit of indemnity shown in the *schedule* for Forest and Rural Fires Act.

Innkeepers Act PLB512

We will cover *you* for *your* legal liability as an innkeeper as regulated by the Innkeepers Act 1962 (or any replacement Act) and any subsequent amendments. Provided that property specifically entrusted to any of the *persons insured* as an innkeeper must be kept in a locked safe or strongroom.

Our liability under this extension will not exceed the lesser of the limit of indemnity of this public liability section of the policy or \$250,000 unless an alternative limit is shown in the *schedule*.

Motor and watercraft repair PLB514

We will cover *you* for *your* legal liability caused by or arising out of the repair, renovation, maintenance, installation or servicing by any of the *persons insured* of any:

- (a) *vehicle*;
- (b) *watercraft* not exceeding 8 metres in length;

- (c) internal combustion engines; or
- (d) accessories or fittings of either of the above;

where such items are or have been in the care, custody or control of, but are not owned, hired, leased, rented or borrowed by, any of the *persons insured*.

However, cover is not provided for *your* legal liability to pay the cost of performing, completing, correcting or improving any work done or undertaken or rectifying defective work. This exclusion will not apply to legal liability for resultant *damage* to other separate property or parts that any of the *persons insured* have not been working on. *Our* liability to cover *you* under this extension:

- (a) for the item under repair, renovation, installation or servicing will not exceed for any one *occurrence* the limit shown in the *schedule* for motor and *watercraft* repair; and
- (b) in total under this extension will not exceed the limit of indemnity applicable to this public liability section.

An excess of \$1,000 will apply under this extension for each *occurrence* unless an alternative amount is shown in the *schedule*.

We will not cover *you* under this extension for *your* legal liability for *personal injury* or *damage to property* that occurs while any *vehicle* or *watercraft* is being driven, sailed or navigated by any of the *persons insured* who:

- (a) do not have a valid licence that authorises them to drive the *vehicle* at the time of the accident;
- (b) at the time of the accident giving rise to a claim under this extension is under the influence of intoxicating liquor or a drug or who has a proportion of alcohol in their blood or breath that is higher than that allowed under New Zealand traffic law; or
- (c) fails to stop or leaves the scene of the accident when it is an offence to do so or refuses to undergo a breath test or provide a blood sample having been lawfully requested to do so.

Exclusions 15 and 17 do not apply to this extension.

Paints and cladding products PLB515

We will not cover *you* under this section for *your* legal liability for damage to any surface to which any *product* supplied by any of the *persons insured* is applied.

Hairdressers treatment risk PLB516

We will cover *you* for *your* legal liability for direct compensation as a result of *personal injury* to customers in connection with treatment prescribed or administered by or on behalf of any of the *persons insured* provided that:

- (a) *our* liability will not exceed \$25,000 in respect of any one *occurrence* or series of *occurrences* as a result of or attributable to one source or original cause and limited in total in any one *period of insurance* to that amount; and
- (b) no claims will be admitted for any *personal injury* sustained or alleged to be sustained or becoming evident more than 30 days after treatment.

New Zealand jurisdiction PLB521

The jurisdiction section condition is deleted and replaced by the following:

The cover under this section will only apply to judgements that are delivered by or obtained from a court within New Zealand. In addition, the insurance will not apply in respect of any judgement or order obtained in New Zealand for the enforcement of a judgement obtained elsewhere.

Non-efficacy PLB522

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by or alleged to be caused by the failure of any *products* manufactured or supplied by any of the *persons insured* to correctly perform their intended function.

Non-efficacy installation PLB523

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by or alleged to be caused by the failure of any *products* installed, serviced or repaired by any of the *persons insured* to correctly perform their intended function where the failure arises from such installation, servicing or repair.

Faulty packing PLB524

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by faulty, inadequate or incorrect packing.

Advice design, formula or specification exclusion PLB525

We will not cover *you* under this section for *your* legal liability arising in connection with error or omission in:

- (a) advice, directions, instructions, markings or warnings given or omitted to be given; or
- (b) design, formula or specification.

Electromagnetic radiation exclusion PLB526

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by exposure to or contact with electromagnetic radiation.

For the purposes of this exclusion electromagnetic radiation includes but is not limited to magnetic energy, waves, fields or forces generated, produced, distributed, transmitted or maintained by charges, currents, frequencies, energy or forces of electricity.

Worldwide exports (excluding USA and Canada) PLB530

The *geographical limits* definition 2 (b) is amended to read:

- (b) *products* supplied from New Zealand but the indemnity granted for such *products* will not apply to claims happening in the United States of America or its territories or possessions and/or Canada if to the knowledge of any of the *persons insured* such *products* have been or will be supplied to a person, company or organisation within those areas whether or not in their original form.

USA and Canada exports PLB531

The *geographical limits* definition 2 (b) is amended to read:

- (b) *products* supplied from New Zealand.

The following is added to the Limit of indemnity clauses:

Notwithstanding the provisions for the payment of *defence costs* for any actual or threatened legal action against any of the *persons insured* the Limit of indemnity will be inclusive of *defence costs* in respect of any *personal injury* or *damage to property* happening in the United States of America or its territories or possessions or in Canada.

Exemplary damages PLB532

We will cover *you* for *your* legal liability for exemplary damages awarded by any New Zealand court for *personal injury* happening in New Zealand, provided that:

- (a) *our* liability to pay under this extension for any one *period of insurance* will not exceed the lesser of the limit of indemnity or \$1 million, inclusive of any *defence costs*;
- (b) there is no cover in respect of exemplary damages arising out of any dishonest or malicious act or omission by any of the *persons insured*; and
- (c) none of the *persons insured* has revealed the existence of terms of this cover without *our* written consent, unless legally obliged to do so.

Australian operations PLB533

With the exception of the extension for Exemplary damages (if it is included in this section) the words "New Zealand" are replaced by the words "New Zealand and Australia" wherever else they appear in this section. This change does not in any way alter the provisions of General Condition no. 6 (Governing Law) in the Introduction section of this policy.

Competitors exclusions PLB534

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* to or of any competitor or participant directly or indirectly caused by participation in or practice or preparation for any performance, game, contest, race or display.

Computer services PLB535

We will not cover *you* under this section for *your* legal liability arising in connection with the supply of computer software which does not correctly perform its intended function or which causes *personal injury* or *damage to property*.

Vibration or weakening of support extension PLB536

The vibration or weakening of support section exclusion 18. is amended to read:

Directly or indirectly caused by vibration or by the withdrawal or weakening of support of any structure or land exceeding the limit of indemnity shown in the *schedule* for vibration or weakening of support.

An excess of \$5,000 will apply to claims under this extension unless an alternative amount is shown in the *schedule*.

Bailees liability PLB537

Exclusion (e) in the Property in Care Custody or Control extension is deleted. The limit of indemnity and the excess to apply in respect of this deletion is the same as for that extension unless an alternative amount for Bailees Liability is shown in the *schedule*.

Treatment risk PLB538

We will not cover *you* in respect of *personal injury* arising out of treatment given and/or *products* sold, prescribed or administered by or on behalf of any of the *persons insured*.

Genetic modification PLB539

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by:

- (a) the presence on any premises of or the production of or the supply of any genetically modified organism or any other material that has been genetically modified where liability may be directly or indirectly attributed to the genetic characteristics of such organism or material;
- (b) the spread of or the threat of spread of any genetically modified organism characteristics into the environment or any change to the environment arising from research into, testing of or production of genetically modified organisms or other material.

The indemnity

We will indemnify *you* for all amounts *you* become legally liable to pay as direct compensation consequent upon:

- (a) *personal injury*; or
- (b) *damage to property*;

happening within the *geographical limits* during the *period of insurance* as a result of an *occurrence* in connection with the *business*.

Limit of indemnity

The total amount payable by *us* for all amounts in respect of:

- (a) one *occurrence* or series of *occurrences* as a result of or attributable to one source or original cause;
- (b) any one *period of insurance* for all claims in respect of *products*; and
- (c) any one *period of insurance* for all claims in respect of releases (including discharge, dispersal, seepage, migration and escape) of *pollutants*;

will not exceed the limit of indemnity shown in the *schedule* irrespective of the number of parties entitled to indemnity under this broadform liability section.

For the purposes of establishing the total amount payable by *us* for one *period of insurance*, it is understood that any releases of *pollutants* as a result of or attributable to one source or original cause (regardless of whether the release is continuous or intermittent) will be considered as one release.

If we accept a claim under this broadform liability section we will pay, in addition to the applicable limit of indemnity, *defence costs* for any actual or threatened legal action against any of the *persons insured*.

Automatic extensions

These automatic extensions form part of this broadform liability section and are subject to all its provisions (unless otherwise stated). The total of all payments made under these automatic extensions will be part of and not in addition to the applicable policy limit of indemnity unless otherwise stated.

If there is any conflict or inconsistency between this broadform liability section and the extension, only the extension will apply. If there is any conflict or inconsistency between the extensions, only the more particular extension will apply.

1. Compensation for court appearance

We will provide payment at the rate of \$250 per day for each day on which any of the *persons insured* attend as a witness in connection with a claim brought under the broadform liability section of this policy.

The total amount payable under this extension will not exceed \$7,500 in any one *period of insurance*.

2. Defamation

We will cover *you* for *your* legal liability for defamation or invasion of right of privacy, excluding claims arising out of defamation:

- (a) when the first publication was made before the commencement of the *period of insurance*; or
- (b) made at the direction of any of the *persons insured* with knowledge of its falsity; or
- (c) made in the course of or relating to:
 - (i) advertising, broadcasting or telecasting activities;
 - (ii) activities using the internet, intranet or the world wide web;
 - (iii) publication of newspapers, journals, books, or periodicals;
 conducted by or on behalf of any of the *persons insured*.

3. Employees personal effects

Notwithstanding exclusion 5 of this broadform liability section we will cover *you* for *your* legal liability to pay direct compensation as a result of *damage* to the personal effects of *your* employees.

4. Forest & Rural Fires Act

We will cover *you* for *your* legal liability under the Forest & Rural Fires Act 1977 (or any replacement Act) and any subsequent amendments for:

- (a) costs and levies under sections 43 and 46 incurred and apportioned by any fire authority; or
- (b) costs claimed by any other party in order to protect their property from fire.

This extension will apply:

- (a) whether or not *damage to property* has occurred; and
- (b) to *vehicles*, whether or not the *vehicle* is or should have been registered.

An excess of \$1,000 will apply to claims under this extension unless an alternative amount is shown in the *schedule*.
Our liability under this extension will not exceed \$250,000 any one *period of insurance* unless an alternative limit is shown in the *schedule*.

5. Indemnity to landlord

Notwithstanding exclusion 8 of this broadform liability section we will cover *you* for *your* legal liability under a lease agreement to indemnify *your* lessor against third party actions, suits or demands to pay direct compensation as a result of *personal injury* or *damage to property*.

6. Innkeeper's Act

We will cover *you* for *your* legal liability as an innkeeper as regulated by the Innkeepers Act 1962 (or any replacement Act) and any subsequent amendments. Provided that property specifically entrusted to any of the *persons insured* as an innkeeper must be kept in a locked safe or strongroom.

Our liability under this extension will not exceed the lesser of the limit of indemnity of this broadform liability section of the policy or \$250,000 unless an alternative limit is shown in the *schedule*.

7. Landlord's liability

We will cover *you* for *your* legal liability to pay direct compensation as a result of *personal injury* or *damage to property* arising in connection with *your* legal ownership, but not physical occupation, of any premises.

8. Mechanical plant and machinery

We will cover *you* for *your* legal liability to pay direct compensation as a result of *personal injury* or *damage to property* arising in connection with any tool of trade or item of mechanically propelled plant or item of machinery that is being operated as such, independent of any *vehicle* whether or not it is attached to a *vehicle*, and not operated solely as a *vehicle*.

Exclusion 15 does not apply to this extension.

9. Motor and watercraft repair

We will cover *you* for *your* legal liability caused by or arising out of the repair, renovation, maintenance, installation or servicing by any of the *persons insured* of any:

- (a) *vehicle*;
- (b) *watercraft* not exceeding 8 metres in length;
- (c) internal combustion engines; or
- (d) accessories or fittings of either of the above;

where such items are or have been in the care, custody or control of, but are not owned, hired, leased, rented or borrowed by, any of the *persons insured*.

However, cover is not provided for *your* legal liability to pay the cost of performing, completing, correcting or improving any work done or undertaken or rectifying defective work. This exclusion will not apply to legal liability for resultant *damage* to other separate property or parts that any of the *persons insured* have not been working on.

Our liability to cover *you* under this extension:

- (a) for the item under repair, renovation, installation or servicing will not exceed for any one *occurrence* \$250,000 unless an alternative limit is shown in the *schedule* for motor and watercraft repair; and
- (b) in total under this extension will not exceed the limit of indemnity applicable to this broadform liability section.

An excess of \$1,000 will apply under this extension for each *occurrence* unless an alternative amount is shown in the *schedule*.

We will not cover *you* under this extension for *your* legal liability for *personal injury* or *damage to property* that occurs while any *vehicle* or *watercraft* is being driven, sailed or navigated by any of the *persons insured* who:

- (a) does not have a valid licence that authorises them to drive the *vehicle* at the time of the accident;
- (b) at the time of the accident giving rise to a claim under this extension is under the influence of intoxicating liquor or a drug or who has a proportion of alcohol in their blood or breath that is higher than that allowed under New Zealand traffic law; or
- (c) fails to stop or leaves the scene of the accident when it is an offence to do so or refuses to undergo a breath test or provide a blood sample having been lawfully requested to do so.

Exclusions 13 and 15 do not apply to this extension.

10. Product recall

We will contribute to those costs *you* are legally liable to pay for physically recalling or withdrawing *products* that have already given rise to a claim covered by the broadform liability section of this policy, if we agree that such recall or withdrawal is necessary to prevent similar claims arising.

Our contribution will be limited to 80% of the costs in excess of the first \$2,500. Subject to a maximum contribution by *us* of \$100,000 in respect of all such costs incurred in respect of all such recalls or withdrawals in any one *period of insurance* unless an alternative limit is shown in the *schedule*.

11. Property in care, custody or control

We will cover *you* for *your* legal liability to pay direct compensation as a result of *damage to property* held in trust by or in the care, custody or control of any of the *persons insured*.

However we will not be liable for *damage to property*:

- (a) in respect of which and to the extent that any of the *persons insured* has agreed to provide insurance;
- (b) owned, leased, rented or hired by any of the *persons insured* or under any hire purchase or conditional agreement;
- (c) being land or buildings including their fixtures and fittings;
- (d) being *vehicles* or *watercraft* held for service or repair; or
- (e) being property in storage and in the care, custody or control of any of the *persons insured* while they store the property as a bailee for reward.

Our liability under this extension will not exceed \$250,000 in any one *period of insurance* unless an alternative limit is shown in the *schedule*.

An excess of \$1,000 will apply under this extension for each *occurrence* unless an alternative amount is shown in the *schedule*.

Exclusion 13 does not apply to this extension.

12. Tenant's liability

Notwithstanding exclusion 13 of this broadform liability section we will cover *you* for *your* legal liability to pay direct compensation as a result of *damage* to premises (including their fixtures and fittings) leased or rented by *you* or in *your* custody or control but not owned by *you*, or for *damage to property* in *business* premises that *you* temporarily occupy, but excluding legal liability arising in connection with the failure of *you* or the *persons insured* to arrange insurance on the property.

13. Vibration or weakening of support

Notwithstanding exclusion 16 of this broadform liability section we will cover *you* for all amounts that *you* become legally liable to pay as direct compensation as a result of *personal injury* or *damage to property* caused by vibration or the withdrawal or weakening of support of any structure or land. *Our* liability under this extension will not exceed \$250,000 in any one *period of insurance* unless an alternative limit is shown in the *schedule*.

An excess of \$5,000 will apply to claims under this extension for each *occurrence* unless an alternative amount is shown in the *schedule*.

Exclusions

Refer also to the general exclusions of this policy.

We will not be under any obligation to indemnify *you* or any other insured under this broadform liability section for legal liability for *personal injury* or *damage to property*:

1. Aerial device products

Directly or indirectly caused by *products* intended specifically for, and installed in or on, any *aerial device*, or directly or indirectly caused by or arising in connection with *products* which any of the *persons insured* knew would be so installed where such *products* are essential to the operation or navigation of any *aerial device*.

2. Asbestos

Directly or indirectly caused by or arising out of or in connection with:

- (a) the inhalation of;
- (b) exposure to;
- (c) fears of the consequences of inhalation of or exposure to;
- (d) cleaning up, removal of; or
- (e) damage to or loss of use of any property arising out of;

asbestos, asbestos fibres or any derivatives of asbestos.

3. Building defects and mould

In respect of any *building* or structure directly or indirectly caused by or arising in connection with:

- (a) the action or effects of *micro-organisms*, mould, fungi, mildew, rot, decay, gradual deterioration, bacteria, protozoa or any similar or like forms; or
- (b) the failure of any *building* or structure to comply with or perform to the requirements of any building code or to meet the level of performance, quality, fitness or durability of its intended purpose; or
- (c) the failure of any *building* or structure to contain or incorporate materials, a design, a system or a standard of work which effectively prevents or manages the presence or penetration of moisture or water to which the *building* or structure might reasonably be subjected.

In addition, we will not be liable to indemnify *you* for any costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating or disposal of, or in anyway responding to or assessing the effects of *micro-organisms*, mould, fungi, mildew, rot, decay, gradual deterioration, bacteria, protozoa or any similar or like forms.

This exclusion will not exclude any indemnity for *personal injury* or *damage to property* that is caused by or arises out of leakage of internal water pipes, cisterns or sewerage systems.

4. Defective work

Where *your* liability is for the cost of performing, completing, correcting or improving any work done or undertaken by any of the *persons insured*.

This exclusion will not apply to legal liability for resultant *damage* to other separate property or parts that any of the *persons insured* have not been working on.

5. Employees and IPRC Act

To or of:

- (a) any *employee* other than (b) and (c) of the *employee* definition; or
- (b) any person where the *injury* falls within the scope of cover provided by the Injury Prevention, Rehabilitation and Compensation Act 2001 (or any replacement Act) and any subsequent amendments or any liability imposed by the provisions of any workers compensation legislation or any accident compensation legislation or any industrial award or agreement or determination.

6. Fines and penalties

In respect of any fines, penalties, reparation, exemplary, aggravated or liquidated *damages*.

7. Fraudulent or criminal intent

Directly or indirectly caused by any act or omission having fraudulent, dishonest, criminal or malicious intent.

8. Liability under agreement

Arising out of or in connection with liability assumed under an agreement unless such liability:

- (a) would have attached in the absence of such agreement;
- (b) is assumed by any of the *persons insured* under a warranty of fitness or quality, or is implied by law, in respect of *products*;

but this extension of cover does not apply to *damage to property* which is the subject of the agreement.

9. Loss of use

Or loss of use of tangible property that has not been physically *damaged* or destroyed resulting from:

- (a) a delay in or lack of performance by or on behalf of any of the *persons insured* of any contract or agreement; or
- (b) the failure of *products* or work performed by or on behalf of any of the *persons insured* to meet the level of performance, quality, fitness or durability warranted or represented by any of the *persons insured*.

This exclusion does not apply to loss of use of other tangible property resulting from the sudden and *accidental* physical *damage* to or destruction of *products* or work performed by or on behalf of any of the *persons insured* after such *products* or work have been put to their intended use by any person or organisation other than a *person insured*.

10. Pollutants

Directly or indirectly caused by or arising out of *pollutants* unless caused by or arising out of an identifiable and sudden *accidental* and unexpected release (including discharge, dispersal, seepage, migration and escape) of *pollutants* that takes place in its entirety at a specific time and place.

11. Product repair or replacement

In respect of any amount payable for the cost of recalling withdrawing replacing or repairing *products* or of making any refund on the price paid for *products*, provided that this exclusion does not apply to liability for physical loss or *damage to products* caused by other *products* if they were physically independent at the time of such physical loss or *damage*.

12. Professional duty

Arising out of a breach of the duty owed in a professional capacity by any of the *persons insured*, but this exclusion does not apply to services rendered by members of *your* own first aid or ambulance services.

13. Property in care, custody or control

Owned, occupied or held in trust by or in the care, custody or control of any of the *persons insured* other than:

- (a) premises that are not owned or rented by any of the *persons insured* but at which any of the *persons insured* is undertaking work in connection with the *business*;
- (b) property in *your* custody or control in any free car park operated by *you*.

14. Underground services

Consisting of underground services, pipes or cables or legal liability arising out of that *damage* regardless of how the *damage* is caused unless the *person insured* has taken all reasonable steps immediately prior to the commencement of the work to establish the position of such services and has taken all reasonable steps to avoid *damage* in which case the *excess* shown in the *schedule* for Underground Services will apply to all such valid claims.

15. Vehicles

Caused by the ownership, possession, or use by any of the *persons insured* of any *vehicle* which is or should have been registered or is otherwise insured in respect of the same liability.

However if the *person insured* is not entitled to indemnity under any other policy this exclusion will not apply to claims arising from:

- (a) the loading or unloading of a *vehicle* or the bringing to or taking away of a load from a *vehicle*; or
- (b) the use of the *vehicle* as a tool of trade and not use as a motor vehicle.

16. Vibration or weakening of support

Directly or indirectly caused by vibration or by the withdrawal or weakening of support of any structure or land.

17. Watercraft and aircraft

Directly or indirectly caused by the ownership, possession, operation, repair, maintenance or use by any of the *persons insured* of any:

- (a) *aerial devices*;
- (b) *watercraft* exceeding 8 metres in length.

Conditions

Refer also to the general conditions of this policy.

1. Change of business

If any change occurs in the *business* that increases the risk of insuring *you*, then *you* will give written notice to *us* within a reasonable period of becoming aware of such change.

2. Contribution to costs

Where the amount paid to settle any liability claim against *you* or any *insured* exceeds the limit of indemnity for this broadform liability section *our* obligation to pay *defence costs* under this broadform liability section is limited to a proportion of the *defence costs* that is equivalent to the proportion that the limit of indemnity bears to the total amount paid.

This condition only applies when *we* have not exercised *our* right under the payment of limit of indemnity condition.

3. Cross liability

Any claim made by a *person insured* against any other *person insured* will be treated as though the party so claiming is not a *person insured*. Where more than one party is described as an *insured* each such party will constitute a separate *person insured* for the purpose of this clause.

Provided that nothing contained in this condition:

- (a) will operate to increase the limit of indemnity shown in the *schedule*;
- (b) overrides the provisions of General Condition 9 (Joint Insurance).

4. Duty of care

The *persons insured* will take reasonable precautions to prevent *personal injury* and *damage to property* and to:

- (a) comply with all obligations and *regulations* set out in any legislation applicable or imposed by any authority;
- (b) maintain premises and plant and everything used in the *business* in proper repair; and
- (c) at their own expense remedy any defect or eliminate any danger that may give rise to *personal injury* or *damage to property*.

5. Excess

The claim will be adjusted net of the *excess* shown in the *schedule* which *you* must contribute as the first amount of any claim arising from each and every *occurrence* inclusive of *defence costs*.

6. Jurisdiction

This insurance will not apply to any judgement delivered by a court outside New Zealand (or any judgement, registration or order obtained in New Zealand to enforce that same judgement) where the *persons insured* are represented in a country outside New Zealand by or through any:

- (a) branch;
- (b) trading division;
- (c) subsidiary;
- (d) associated company or companies; or
- (e) *employee* or company holding a power of attorney on behalf of any of the *persons insured*.

This condition does not apply to the activities of the *persons insured* who have a normal place of residence in New Zealand and are away from New Zealand for a short time in connection with the incidental performance of clerical, managerial, marketing or sales responsibilities but not the performance of actual assembly, construction, dismantling, farming, manufacture, renovation or repair work and not involving the performance of any other physical work of a manual nature or in respect of a trade.

7. Payment of limit of indemnity

We may at any time pay to *you*, or at *our* discretion to any of the *persons insured* claiming to be indemnified, the appropriate limit of indemnity (after deduction of any amounts already paid) or any lesser amount for which a claim or claims can be settled. Following payment under this condition we will relinquish control of the claim or claims and we will be under no further liability in connection with it, except for costs and expenses incurred before the date of the payment.

8. Premium adjustment

If any part of the premium or renewal premium is based on estimates furnished by *you*, *you* will keep an accurate record containing all relative particulars and will allow *us* to inspect such record. *You* will within a reasonable period of the expiry of each *period of insurance* furnish such information as *we* may require. The premium or renewal premium will be adjusted and the difference paid by or allowed to *you*.

Additional extensions and memoranda

Each of the following extensions or memoranda will have no effect unless there is a statement in the *schedule* that the particular extension or memorandum will apply. They are subject to all the provisions of the policy and of this broadform liability section (unless otherwise stated). If there is any conflict or inconsistency between this broadform liability section and the extension or memorandum only the extension or memorandum will apply. If there is any conflict or inconsistency between extensions or memoranda only the more particular extension or memorandum will apply.

Additive products PLB500

We will not cover *you* under this section in respect of damage to or loss of any mixture of which any product supplied by any of the *persons insured* is a constituent.

Burning in the open air PLB502

It is a condition of this section that when *you* burn in an open air location that the following precautions will be complied with on each occasion:

- (a) fires to be in a cleared area and at a distance of at least nine metres from any property;
- (b) fires not to be left unattended at any time;
- (c) a suitable fire extinguisher to be kept available for immediate use; and
- (d) fires to be extinguished at least one hour before leaving the site.

Concrete products PLB504

We will not cover *you* under this section for *your* legal liability for damage to any building or other structure incorporating concrete products supplied by any of the *persons insured* where the damage is caused by those products.

Deep frying equipment PLB507

If on any premises owned or occupied by *you* there is any deep frying with oil or fat *you* warrant that:

- (a) each vat is fitted with a close-fitting steel lid that is shut when the vat is not in use;
- (b) a fire blanket is installed in a conspicuous place in the vicinity of, but at a safe distance away from, the frying operation and that the fire blanket is readily accessible for immediate use at all times during any deep frying operation;
- (c) a fully charged multi-purpose extinguisher of not less than 2.25kg capacity or a fully charged extinguisher specifically designed for use on flammable liquid fires is installed in a conspicuous place in the vicinity of, but at a safe distance away from, the frying operation and is accessible for immediate use at all times during any deep frying operation;
- (d) all thermostats, pans, blankets and extinguishers are at all times maintained in good working order;
- (e) extraction filters are cleaned weekly and extraction flues and ducting inspected monthly and cleaned as necessary;
- (f) where the fryer is an electric fryer a separate non-adjustable manual reset thermostat is fitted to it and set to disconnect the power supply when the temperature of the cooking liquids reaches 240 degrees centigrade; and
- (g) all cooking liquids for disposal are at all times stored in a metal bin with a close-fitting metal lid until removal from the premises.

If *you* are not the occupier of the premises or operator of the equipment *you* will in writing instruct the occupier and operator to carry out the requirements in (a) to (g) above to ensure that the terms of this warranty are met at all times.

Drugs clinical trials PLB508

We will not cover *you* under this section for *your* legal liability for *personal injury* arising in connection with clinical trials.

Fire risk work away PLB510

It is warranted that in respect of the application of heat involving a naked flame or open heat source that takes place away from *your* own premises the following precautions will be complied with on each occasion:

- (a) the area of the work will be cleared of combustible material for a safe distance from or beneath the place where such work is being carried out. A safe distance will be not less than six metres when welding or cutting operations are carried out. Where such precautions are impracticable such material will be covered with fireproof blankets or similar protective equipment. Combustible parts of premises will be similarly protected;
- (b) a fire extinguisher of a type and capacity suitable for the combustible material and the premises will be kept immediately adjacent to the area of work and available for immediate use;
- (c) equipment will be lit or switched on for as short a time as possible before use and extinguished immediately after use;
- (d) lighted or heated equipment will not be left unattended;
- (e) a thorough examination for any signs of combustion will be made within or below the area in which work has been undertaken half an hour after the termination of each period of work;
- (f) before applying heat to metal built into or projecting through walls, floors or ceilings an examination will be made to ensure that the other end of the metal is not in hazardous proximity to combustible material.

Paints and cladding products PLB515

We will not cover *you* under this section for *your* legal liability for *damage* to any surface to which any *product* supplied by any of the *persons insured* is applied.

Hairdressers treatment risk PLB516

We will cover *you* for *your* legal liability for direct compensation as a result of *personal injury* to customers arising in connection with treatment prescribed or administered by or on behalf of any of the *persons insured* provided that:

- (a) *our* liability will not exceed \$25,000 in respect of any one *occurrence* or series of *occurrences* as a result of or attributable to one source or original cause and limited in total in any one *period of insurance* to that amount; and
- (b) no claims will be admitted for any *personal injury* sustained or alleged to be sustained or becoming evident more than 30 days after treatment.

New Zealand jurisdiction PLB521

The jurisdiction condition is deleted and replaced by the following:

The cover under this section will only apply to judgements that are delivered by or obtained from a court within New Zealand. In addition, the insurance will not apply in respect of any judgement or order obtained in New Zealand for the enforcement of a judgement obtained elsewhere.

Non-efficacy PLB522

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by or alleged to be caused by the failure of any *products* manufactured or supplied by any of the *persons insured* to correctly perform their intended function.

Non-efficacy installation PLB523

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by or alleged to be caused by the failure of any *products* installed, serviced or repaired by any of the *persons insured* to correctly perform their intended function where the failure arises from such installation, servicing or repair.

Faulty packing PLB524

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by inadequate or incorrect packing.

Advice design, formula or specification exclusion PLB525

We will not cover *you* under this section for *your* legal liability arising in connection with error or omission in:

- (a) advice, directions, instructions, markings or warnings given or omitted to be given; or
- (b) design, formula or specification.

Electromagnetic radiation exclusion PLB526

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by exposure to or contact with electromagnetic radiation.

For the purposes of this exclusion electromagnetic radiation includes but is not limited to magnetic energy, waves, fields or forces generated, produced, distributed, transmitted or maintained by charges, currents, frequencies, energy or forces of electricity.

Amended pollutants exclusion PLB527

The *pollutants* exclusion 10 of this broadform liability section is deleted and replaced by the following:

Directly or indirectly caused by or arising out of *pollutants* unless caused by or arising out of an identifiable, unexpected and accidental release (including discharge, dispersal, seepage, migration and escape) of *pollutants* which commences during any *period of insurance* and is:

- (a) detected within 7 days of its commencement; and
- (b) reported to *us* within 7 days of its being detected.

The commencement of any intermittent release shall be deemed to be at the start of the first release of the series.

Clean up costs exclusion PLB528

We will not be under any obligation to indemnify *you* or any other insured for any costs arising out of any obligation on any of the *persons insured* to test for, monitor, clean up, remove, contain, treat, detoxify or

neutralise or in any way respond to or assess the effects of *pollutants* on structures, premises, sites or land currently or previously owned, occupied, used by or under the control of any of the *persons insured* where the obligation arises out of such ownership, occupancy, use or control by any of the *persons insured*.

USA and Canada exports PLB531

The *geographical limits* definition 2 **(b)** is amended to read:

(b) *products* supplied from New Zealand.

The following is added to the Limit of indemnity clauses:

Notwithstanding the provision for the payment of *defence costs* for any actual or threatened legal action against any of the *persons insured* the Limit of indemnity will be inclusive of *defence costs* in respect of any *personal injury* or *damage to property* happening in the United States of America or its territories or possessions or in Canada.

Exemplary damages PLB532

We will cover *you* for *your* legal liability for exemplary damages awarded by any New Zealand court in respect of *personal injury* happening in New Zealand, provided that:

- (a)** *our* liability to pay under this extension for any one *period of insurance* will not exceed the lesser of the limit of indemnity or \$1 million, inclusive of any *defence costs*;
- (b)** there is no cover in respect of exemplary damages arising out of any dishonest or malicious act or omission by any of the *persons insured*; and
- (c)** none of the *persons insured* has revealed the existence of terms of this cover without *our* written consent, unless legally obliged to do so.

Australian operations PLB533

With the exception of the extension for Exemplary damages (if it is included in this section) the words "New Zealand" are replaced by the words "New Zealand and Australia" wherever else they appear in this section. This change does not in any way alter the provisions of General Condition no. 6 (Governing Law) in the Introduction section of this policy.

Competitors exclusion PLB534

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* to or of any competitor or participant directly or indirectly caused by participation in or practice or preparation for any performance, game, contest, race or display.

Computer services PLB535

We will not cover *you* under this section for *your* legal liability arising in connection with the supply of computer software which does not correctly perform its intended function or which causes *personal injury* or *damage to property*.

Bailees liability PLB537

Exclusion (e) in the Property in Care Custody or Control extension is deleted. The limit of indemnity and the excess to apply in respect of this deletion is the same as for that extension unless an alternative amount for Bailees Liability is shown in the *schedule*.

Treatment risk PLB538

We will not cover *you* in respect of *personal injury* arising out of treatment given and/or *products* sold, prescribed or administered by or on behalf of any of the *persons insured*.

Genetic modification PLB539

We will not cover *you* under this section for *your* legal liability for *personal injury* or *damage to property* directly or indirectly caused by:

- (a)** the presence on any premises of or the production of or the supply of any genetically modified organism or any other material that has been genetically modified where liability may be directly or indirectly attributed to the genetic characteristics of such organism or material;
- (b)** the spread of or the threat of spread of any genetically modified organism characteristics into the environment or any change to the environment arising from research into, testing of or production of genetically modified organisms or other material.