

Unit Trust Asset Protection Professional Indemnity Policy

SCHEDULE

Herein called the Company

Item 1. **Organisation:**
(name and address)

Policy Number:

This is a Claims Made Policy. Except as otherwise provided herein, this **Policy** covers only **Claims** first made against the **Insured** during the **Policy Period**. Please read carefully.

Item 2. (A) **Insured Unit Trust:**
(B) **Insured Trustee:**
(C) **Insured Investment Manager:**

Item 2.A Insuring Agreement 1.D. Deleted (Yes/No)

Item 3. **Policy Period:** From 4.00 P.M: To 4.00 P.M:
Local time at address shown in Item 1

Item 4. **Aggregate Limit of Liability:**

Note: The Aggregate Limit of Liability and any **Deductible Amount** is reduced or exhausted by **Defence Costs**.

Item 5. **Deductible Amount:**

Insuring Agreements A., B., C. \$
Insuring Agreement D. 2 \$

Item 6. Pending or Prior Date:

Item 7. Extended Reporting Period: (A) Additional Premium:
(B) Additional Period:

Item 8. Endorsements Effective at Inception:

Item 9. Termination of Prior Policy:

In witness whereof, the Company has caused this **Policy** to be signed by its Authorised Employee.

Date

Authorised Employee

In consideration of payment of the premium and subject to the Schedule, limitations, conditions, provisions and other terms of this **Policy** the Company and the **Organisation** agree as follows:

**Insuring
Agreements**

1.A. The Company shall pay on behalf of the **Insured Unit Trust** all **Loss** which the **Insured Unit Trust** becomes legally obligated to pay as a result of indemnification provided to an **Insured Trustee** or an **Insured Investment Manager** pursuant to the **Trust Deed**, common law or statutory law, for any **Claim** first made against the **Insured Trustee** or the **Insured Investment Manager**, arising out of any **Wrongful Act** committed, attempted, or allegedly committed or attempted by the **Insured Trustee** or the **Insured Investment Manager**, during or prior to the **Policy Period** or, if exercised, during the Extended Reporting Period, in the performance of **Professional Services** including the failure to perform **Professional Services**.

**Unit Trust
Indemnification
Coverage**

**Trustees
Professional
Indemnity Coverage**

1.B. The Company shall pay on behalf of the **Insured Trustee** all **Loss** which the **Insured Trustee** becomes legally obligated to pay as a result of any **Claim** first made against the **Insured Trustee** arising out of any **Wrongful Act** committed, attempted, or allegedly committed or attempted by the **Insured Trustee**, during or prior to the **Policy Period** or, if exercised, during the Extended Reporting Period, in the performance of **Professional Services**, including the failure to perform **Professional Services**.

**Investment
Managers
Professional
Indemnity
Coverage**

1.C. The Company shall pay on behalf of the **Insured Investment Manager** all **Loss** which the **Insured Investment Manager** becomes legally obligated to pay as a result of any **Claim** first made against the **Insured Investment Manager** arising out of any **Wrongful Act** committed, attempted, or allegedly committed or attempted by the **Insured Investment Manager**, during or prior to the **Policy Period** or, if exercised, during the Extended Reporting Period, in the performance of **Professional Services** including the failure to perform **Professional Services**.

**Insured Investment
Manager or Insured
Trustee Directors'
and Officers' Liability
and Company
Reimbursement
Coverage**

1.D.1 The Company shall pay on behalf of each of the **Insured Persons** all **Loss** for which the **Insured Person** is not indemnified by the **Insured Trustee** or **Insured Investment Manager**, which the **Insured Person** becomes legally obligated to pay as a result of any **Claim** first made against him, individually or otherwise, arising out of any **Wrongful Act** committed, attempted, or allegedly committed or attempted by the **Insured Person** during or prior to the **Policy Period** or, if exercised, during the Extended Reporting Period.

1.D.2 The Company shall pay on behalf of the **Insured Trustee** or **Insured Investment Manager** all **Loss** for which the **Insured Unit Trust** grants indemnification to each **Insured Person**, as permitted or required by law, which the **Insured Person** has become legally obligated to pay as a result of any **Claim** first made against him, individually or otherwise, arising out of any **Wrongful Act** committed, attempted, or allegedly committed or attempted by the **Insured Person** during or prior to the **Policy Period** or, if exercised, during the Extended Reporting Period.

**Extended
Reporting Period**

2. If this **Policy** is terminated or not renewed for any reason, other than for non-payment of premium, the **Organisation**, on behalf of the **Insured**, shall have the right, upon payment of the additional premium set forth in Item 7(A) of the Schedule to an extension of coverage granted by this **Policy** for the period set forth in Item 7(B) of the Schedule following the effective date of termination or non renewal with respect to any **Claim(s)** made during the Extended Reporting Period, but only for a **Wrongful Act** committed, attempted, or allegedly committed or attempted prior to the effective date of termination or non renewal. This right of extension shall lapse unless written notice of such election, together with payment of the additional premium due, is received by the Company within thirty (30) days following the effective date of non renewal or termination. Any **Claim** made during the Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**. If the Extended Reporting Period is purchased, the entire premium noted in Item 7(A) of the Schedule shall be deemed fully earned at the inception of the Extended Reporting Period.

**Exclusions
Applicable to all
Insuring
Agreements**

3. The Company shall not be liable to make payment for **Loss** in connection with any **Claim** made against the **Insured**:
- (a) based upon, arising from or in consequence of (1) any **Wrongful Act** or any fact, circumstance or situation that has been the subject of notice under any policy of insurance in effect prior to the inception date of this **Policy**, or (2) any other **Wrongful Act**, whenever occurring, which together with a **Wrongful Act** that has been the subject of such notice would constitute **Interrelated Wrongful Acts**;
 - (b) based upon, arising from or in consequence of any demand, suit, proceeding pending, order, decree or judgment entered against any **Insured** on or prior to the Pending or Prior Date set forth in the Item 6 of the Schedule, or the same or any substantially similar fact, circumstance or situation underlying or alleged therein;
 - (c) by or on behalf of any of the **Insureds** except and to the extent that such **Claim** is:
 - (1) brought or maintained by a director, officer, or employee of an **Insured Trustee** or **Insured Investment Manager** for contribution or indemnity, if the **Claim** directly results from a **Claim** covered under this **Policy**; or
 - (2) a **Claim** brought or maintained by an **Insured Trustee** for and on behalf of unitholders of an **Insured Unit Trust** where, in the opinion of independent counsel selected by and at the expense of such **Insured Trustee**, (subject to the Company's consent, such consent not to be unreasonably withheld) the failure to make such **Claim** would result in a breach of duty of such **Insured Trustee**; or

- (3) a **Claim** brought or maintained by an **Insured Person** for the actual or alleged wrongful termination, denial of natural justice relating to wrongful termination, defamation relating to wrongful termination, discrimination or sexual harassment of the **Insured Person**; or
 - (4) a **Claim** that is brought or maintained by, or on behalf of, any past **Insured Persons**.
- (d) based upon, arising from or in consequence of bodily injury, emotional distress, mental anguish, sickness, disease or death of any person, or for damage to or destruction of any tangible property including loss of use thereof;
- (e) based upon, arising from or in consequence of:
- (1) the actual, alleged or threatened discharge, release, escape, dispersal or disposal of **Pollutants** into or on real or personal property, buildings, water, land or the atmosphere; or
 - (2) any direction or request that the **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, or any voluntary decision to do so;
- including but not limited to any **Claim** for any financial loss to the **Insured**, its security holders, its creditors or others based upon, arising from, or in consequence of the matters described in (1) or (2) of this exclusion;
- (f) based upon, arising from, or in consequence of the liability of a party, other than the **Insured**, assumed by the **Insured** pursuant to contract, except liability for **Loss** that the **Insured** would have had in the absence of such contract;
- (g) based upon, arising from or in consequence of an intentional breach of a contract;
- (h) based upon, arising from or in consequence of any **Wrongful Act** of any **Insured** serving in the capacity as a fiduciary of a superannuation, pension, profit sharing, health and welfare or other employee benefit plan or trust sponsored or established by the **Insured Trustee** or **Insured Investment Manager** for their directors, officers and employees;
- (i) based upon, arising from or in consequence of any actions of any person acting as a **Dealer** for the **Insured Unit Trust**;
- (j) by, on behalf of, or at the behest of any person or concern (including but not limited to any shareholder, bondholder, or debenture holder), their estate, heirs, legal representatives or assigns, with a legal or equitable interest in any stock, bond, debenture, or other form of security of the **Insured Trustee** or **Insured Investment Manager**, or any other ownership interest, when such **Claim** is based upon, arises out of, or pertains to any interest in said security; provided however, this exclusion shall not apply where the claimant is an **Insured Person** and was provided or entitled to be provided with **Professional Services** and is bringing the **Claim** solely in his

capacity as a customer of the **Insured Trustee** or **Insured Investment Manager** and where such **Claim** is brought without the solicitation, assistance or participation of any **Insured**.

This exclusion shall not apply to any **Claim**, or portion thereof, covered under Insuring Agreement 1.D.

(k) based upon, arising from, relating to, in consequence of, or in any way involving:

(1) the underwriting, securitising, syndicating, promoting, or market-making of any debt or equity security or other evidence of indebtedness, or any loan or other extension of credit, or any other investment banking activity; or

(2) the rendering of advice or recommendations regarding any actual, attempted or threatened merger, acquisition, divestiture, tender offer, proxy contest, leveraged buy-out, privatisation, insolvency proceeding, re-organisation, capital restructuring, re-capitalisation, spin-offs, primary or secondary offerings of debt or equity securities or other evidence of indebtedness, dissolution or sale of all or substantially all of the assets or stock of a business entity or any effort to raise or furnish capital or financing for any enterprise or entity;

However this Exclusion (k)(2) shall not apply to the rendering of advice or recommendations regarding any securities or property owned by or on behalf of an **Insured Unit Trust**; or

(3) the rendering of a fairness opinion regarding the valuation of any assets or business entity not held by or on behalf of the **Insured Unit Trust**, or

(4) any acquisition or sale of securities by the **Insured Investment Manager** or **Insured Trustee** for their own account,

or any disclosure requirements in connection with any of the foregoing;

(l) based upon, arising from or in consequence of the insolvency, administration, conservatorship, receivership, winding-up, bankruptcy or liquidation of any bank or banking firm, investment company, investment banker or any broker or dealer in securities or commodities, or other such organisations of a similar nature, or the failure to pay or suspension of payment by such entities;

(m) based upon, arising from or in consequence of deliberate conflict of interest, dishonest or deliberately criminal or deliberately fraudulent act or omission, gaining any profit or advantage to which one is not legally entitled, or deliberate non-compliance with any statute or regulation on the part of the **Insured** or any person for whose actions the **Insured** are legally responsible, provided, however, that this exclusion shall not apply unless a judgment or other final adjudication adverse to the **Insured** establishes that such **Claim** was brought about or contributed to by any deliberate conflict of interest, dishonest or deliberately criminal or deliberately fraudulent act or omission, gaining any profit or advantage to which one is not legally entitled or deliberate non-compliance with any statute or regulation on the part of the **Insured** or any person for whose actions the **Insured** are legally responsible.

**Exclusions
Applicable to
Insuring
Agreement 1.D.1**

4. The Company shall not be liable to make payment for **Loss** in connection with any **Claim** made against an **Insured Person**:
- (a) by or on behalf of any of the **Insureds** except and to the extent that such **Claim** is a **Claim** that is a derivative action brought or maintained by or on behalf of the **Insured Trustee** or **Investment Manager** by one or more persons who are not **Insured Persons** and who bring or maintain the **Claim** without the assistance, solicitation or participation of any **Insured**;
 - (b) for an accounting of profits made from the purchase or sale by such **Insured Person** of securities of the **Insured Trustee** or **Insured Investment Manager** where such **Insured Person** has improperly benefited as a result of information that is not available to other sellers or purchasers of such securities; or
 - (c) based upon, arising from, or in consequence of such **Insured Person** having gained in fact any personal profit, remuneration or advantage to which such **Insured Person** was not legally entitled.

**Severability of
Exclusions**

5. With respect to the exclusions in sections 3 and 4, no fact pertaining to or knowledge possessed by any trustee, director, officer or employee of the **Insured Investment Manager** or **Insured Trustee** shall be imputed to any other trustee, director, officer or employee of the **Insured Investment Manager** or **Insured Trustee** to determine if coverage is available.

**Reporting and
Notice**

6. The **Insured** shall, as a condition precedent to exercising their rights under this **Policy**, give to the Company written notice of any **Claim** as soon as practicable, but in no event later than ninety (90) days after the termination of the **Policy Period**, of any **Claim** made against the **Insured** for a **Wrongful Act**.

If the **Insured** becomes aware of circumstances which could give rise to a **Claim** and gives written notice of such circumstances to the Company during the **Policy Period**, then any **Claims** subsequently arising from such circumstances shall be considered to have been made during the **Policy Period** in which the circumstances were first reported to the Company.

The **Insured** shall, as a condition precedent to exercising their rights under this **Policy**, give to the Company such information and co-operation as it may reasonably require, including but not limited to:

- (1) a description of the **Claim** or circumstances;
- (2) the nature and date of the alleged **Wrongful Acts**;
- (3) the nature of the alleged or potential damage;
- (4) the names of the potential or actual claimants and any **Insured** involved in the alleged **Wrongful Act**; and
- (5) the manner in which the **Insured** first became aware of the **Claim** or circumstances.

Notice to the Company under this **Policy** shall be given in writing addressed to:

Notice of **Claim**:

Claims Department Manager
Chubb Insurance Company of Australia Limited
Level 36, Tower Building, Australia Square
264-278 George Street
SYDNEY NSW 2000

All Other Notices

Manager - Department of Financial Institutions
Chubb Insurance Company of Australia Limited
Level 36, Tower Building, Australia Square
264-278 George Street
SYDNEY NSW 2000

Such notices shall be effective on the date of receipt by the Company at such address.

***Limit of Liability
and Deductible
Amount***

7. The Company's liability shall apply to that part of **Loss** which is excess of the **Deductible Amount** set forth in Item 5 of the Schedule, which **Deductible Amount** shall apply to each and every **Claim** (including **Defence Costs**) and such **Deductible Amount** shall be borne by the **Insured** uninsured and at their own risk.

The Company's aggregate liability for all **Loss** on account of all **Claims** first made during the same **Policy Period** shall be the **Aggregate Limit of Liability** set forth in Item 4 of the Schedule.

All **Loss** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** shall be deemed one **Loss**, and such **Loss** shall be deemed to have originated in the earliest **Policy Period** in which a **Claim** is first made against the **Insured** alleging any such **Wrongful Act** or **Interrelated Wrongful Act**.

The **Aggregate Limit of Liability** available during the Extended Reporting Period, if exercised, shall be the remaining portion, if any, of the **Aggregate Limit of Liability** provided by the immediately preceding **Policy Period**.

In the event that more than one of the **Insured** is included in the same **Claim**, the total amount of the available **Aggregate Limit of Liability** shall be apportioned in proportion to their respective **Loss**.

***Presumptive
Indemnification***

8. With respect to Insuring Clause 1.D, if the **Insured Investment Manager** or the **Insured Trustee**:
- (a) fail or refuse, other than for reason of **Financial Impairment**, to indemnify the **Insured Person** for **Loss**; and

(b) is permitted or required by statutory or common law to indemnify the **Insured Person** for such **Loss**, whether or not subject to an amendment to the **Insured Investment Manager's** or the **Insured Trustee's** articles of association, by-laws, constitution, certificate of incorporation or memorandum of association,

then notwithstanding any other conditions, provisions or terms of this **Policy** to the contrary, any payment by the Company of such **Loss** shall be subject to (1) the deductible applicable to Insuring Contract 1.D.2 set forth in Item 5 of the Schedule to this **Policy** and (2) all the Exclusions set forth in section 3 and 4 of this **Policy**.

Defence and Settlement

9. It shall be the duty of the **Insured** and not the duty of the Company to defend any **Claim** made against the **Insured**.

The **Insured** shall have the sole obligation under this **Policy** to retain defence counsel, which shall be subject to the approval of the Company, which approval shall not be unreasonably withheld.

The **Insured** agrees not to settle any **Claim**, incur any **Defence Costs** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the Company's written consent, which shall not be unreasonably withheld. The Company shall not be liable for any settlement, **Defence Costs**, assumed obligation or admission to which it has not consented.

The Company shall have the right and shall be given the opportunity to effectively associate with the **Insured** in the investigation, defence and settlement, including but not limited to the negotiation of a settlement, of any **Claim** that appears reasonably likely to be covered in whole or in part by this **Policy**.

The **Insured** agrees to provide the Company with all information, assistance and co-operation which the Company reasonably requests and agrees that, in the event of a **Claim**, the **Insured** will do nothing that may prejudice the Company's position or its potential or actual rights of recovery.

Defence Costs are part of and not in addition to the **Aggregate Limit of Liability** set forth in Item 4 of the Schedule, and the payment by the Company of **Defence Costs** shall reduce such **Aggregate Limit of Liability**.

Allocation and Advancement of Defence Costs

10. If both **Loss** covered by this **Policy** and **Loss** not covered by this **Policy** is incurred, either because a **Claim** against the **Insured** includes both covered and uncovered matters or because a **Claim** is made against both an **Insured** and others, the **Insured** and the Company shall allocate such amount between covered **Loss** and uncovered **Loss** based upon the relative legal exposures of such parties to such matters.

If the **Insured** and the Company agree upon an allocation of **Defence Costs**, the Company shall advance on a current basis **Defence Costs** allocated to covered **Loss**.

If the **Insured** and the Company cannot agree on an allocation:

- (a) no presumption as to what allocation should be made shall exist in any arbitration, suit or other proceeding;
- (b) the Company shall advance on a current basis **Defence Costs** which the Company believes to be covered under this **Policy**, until a different allocation is negotiated, arbitrated or judicially determined; and
- (c) the Company, if requested by the **Insured**, shall submit the dispute to arbitration. Subject to agreement between the parties, the arbitration panel, shall consist of one arbitrator selected by the **Insured**, one arbitrator selected by the Company, and a third independent arbitrator selected by the first two arbitrators.

Any negotiated, arbitrated or judicially determined allocation of **Defence Costs** on account of a **Claim** shall be applied retroactively to all **Defence Costs** on account of such **Claim**, notwithstanding any prior advancement to the contrary. Any allocation or advancement of **Defence Costs** on account of a **Claim** shall not apply to or create any presumption with respect to the allocation of other **Loss** on account of such **Claim**.

Alteration and Assignment

- 11. No change in, modification of, or assignment of interest under this **Policy** shall be effective except when made by a written **Policy** endorsement which is signed by an Authorised Employee of the Company.

Authorisation Clause

- 12. By acceptance of this **Policy**, the **Organisation** agrees to act on behalf of all **Insureds** with respect to the giving and receiving of notice of **Claim** or termination, cancellation, non renewal, payment of premium, receiving any return premiums, negotiation, agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this **Policy** and the **Insured** agrees that the **Organisation** shall act on their behalf.

Changes in Exposure

- 13. (a) If any **Insured Trustee** or **Insured Investment Manager** acquires any organisation by merger into or consolidation with the **Insured Trustee** or **Insured Investment Manager**, such organisation shall be an **Insured** under this **Policy** but only with respect to **Wrongful Acts** committed, attempted, or allegedly committed or attempted, after such acquisition or creation and only if the **Insured** provides notice in writing to the Company as soon as practicable and only if the Company agrees to continue such coverage. The Company may require an additional reasonable premium and/or revised coverage terms.
- (b) If (1) the **Insured Trustee** or **Insured Investment Manager** merges into or consolidates with another organisation, or (2) another organisation or person or group of organisations and/or persons acting in concert acquires securities or voting rights which result in ownership or voting control by the other organisation(s) or person(s) of more than 50% of the outstanding securities representing the present right to vote for the election of directors of the **Insured Trustee** or **Insured Investment Manager**, or (3) the **Insured Trustee** or **Insured Investment Manager** completely ceases to actively engage in its primary business ("cessation"), or (4) upon the **Financial Impairment** of the **Insured Trustee** or **Insured Investment Manager**, coverage under this **Policy** shall continue until termination of this **Policy**, but only with respect to **Claims** for **Wrongful**

Acts committed, attempted or allegedly committed or, attempted, by **Insured Persons** prior to such merger, consolidation, acquisition, cessation or **Financial Impairment**. The **Insured Trustee** or **Insured Investment Manager** shall give written notice of such merger, consolidation, acquisition or cessation to the Company as soon as practicable together with such information as the Company may require. The full annual premium of the **Policy Period** shall be deemed fully earned immediately upon the occurrence of any event outlined in items (1) through (4) above.

- (c) If any **Insured Unit Trust** is subject to or participates in (1) an acquisition, merger, liquidation, or consolidation, or (2) a change of an **Insured Unit Trust's Investment Manager** or **Trustee**, or (3) a material change in an **Insured Unit Trust's** investment management agreement, prospectus, or offering memorandum, coverage under this **Policy** shall continue only if the **Insured Unit Trust** provides notice in writing to the Company as soon as practicable and only if the Company agrees to continue such coverage. The Company may require an additional reasonable premium and/or revised coverage terms.

Estates and Legal Representatives

14. Coverage shall extend to **Claims** for **Wrongful Acts** of any **Insured Person** made against the estate, heirs, legal representatives or assigns of any **Insured Person** who is deceased, and against legal representatives or assigns of any **Insured Person** who is incompetent, insolvent or bankrupt.

Other Insurance

15. If any **Loss** arising from any **Claim** made against any **Insured** is insured under any other valid policy then, to the extent to which it is permitted by the Insurance Contracts Act 1984, coverage is only provided under this **Policy** subject to its limitations, conditions, provisions and terms for such **Loss** excess of the coverage provided by any other policies whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the **Aggregate Limit of Liability** provided in this **Policy**.

Representations and Proposal Form

16. In granting coverage under this **Policy** to any **Insured**, the Company has relied upon the declarations and statements in the written proposal for coverage and supplementary information provided therewith. All such declarations and statements are the basis of coverage and shall be considered incorporated in and a part of this **Policy**.

Such written proposal for coverage shall be construed as a separate proposal for coverage by each **Insured**. With respect to the declarations and statements used in such written proposal for coverage, no statement in the proposal form or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** for the purpose of determining if coverage is available. Only facts known to and knowledge possessed by any past, present or future Chief Financial Officer, a Chairman, Managing Director, or equivalent thereof, of any **Insured Investment Manager** or **Insured Trustee** shall be imputed to any **Insured Investment Manager** or **Insured Trustee** to determine if coverage is available.

Subrogation

17. In the event of any payment under this **Policy**, the Company shall be subrogated, to the extent of such payment, to all the **Insured's** rights of recovery, and the **Insured** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company effectively to bring suit in the name of any **Insured**.

The Company agrees to waive any rights of subrogation against any trustee, director, officer or employee of the **Insured Investment Manager** or the **Insured Trustee** except (a) in respect of any liability arising from or contributed to by any dishonest, deliberately criminal, deliberately fraudulent act or omission, gaining any profit or advantage to which one is not legally entitled on the part of any such person; and/or (b) where such trustee, director, officer or employee is entitled to indemnity in respect of the **Claim** under any other insurance effected by him or on his behalf, but only to the extent of the indemnity granted by such policy.

Termination of Policy

18. This **Policy** shall terminate in its entirety at the earliest of the following times:
- (a) thirty (30) days after the receipt by the **Organisation** of a written notice of termination from the Company in accordance with the Insurance Contracts Act 1984, except in the case of termination for non-payment of premium, in which case it will be fourteen (14) days after receipt of a written prior notice or, if a later time is specified in such notice, at such later time;
 - (b) upon receipt by the Company of written notice of termination from the **Organisation**;
 - (c) upon expiration of the **Policy Period** as set forth in Item 3 of the Schedule; or
 - (d) at such other time as may be agreed upon by the Company and the **Organisation**.

The Company shall refund the unearned premium computed at customary short rates if the **Policy** is terminated by the **Organisation**. Under any other circumstances, the refund shall be computed pro rata.

Bankruptcy or Insolvency

19. Bankruptcy or insolvency of an **Insured Trustee, Insured Investment Manager** or **Insured Unit Trust** or the estate of an **Insured Person** shall not relieve the Company of its obligations nor deprive the Company of its rights under this **Policy**.

Valuation and Foreign Currency

20. All premiums, limits, deductibles, **Loss** and other amounts under this **Policy** are expressed and payable in the currency of the Commonwealth of Australia. If judgment is rendered, settlement is denominated or another element of **Loss** is stated in a currency other than Australian dollars,

payment under this **Policy** shall be made in Australian dollars at the rate of exchange published in the *Australian Financial Review* on the date the final judgment is entered, the amount of the settlement is agreed upon or the other element of **Loss** is due, respectively.

Territory, Choice of Law and Jurisdiction

21. Coverage shall extend to **Claims** anywhere in the world.

The construction, interpretation and meaning of the provisions of this **Policy** shall be determined in accordance with the law of the Commonwealth of Australia, and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the courts of the Commonwealth of Australia.

Definitions

22. **Administrator** means the entity performing administrative functions which shall be limited to printing and distributing reports to unit holders and regulatory authorities, calculating net asset value, dividends and capital gains distributions, maintaining books and records, selecting a custodian and maintaining records with any custodian, providing a facility for the receipt of purchase and redemption orders from unit holders, providing statistical data, providing budget and control services, providing data processing and clerical support, and maintaining the registration or qualification of the trust units for sales under federal, country, state, territory or local security laws.

Aggregate Limit of Liability means the amount set forth in Item 4 of the Schedule for each **Policy Period**.

Claim means:

- (a) a civil proceeding commenced by the service of a complaint, summons, statement of claim or similar pleading;
- (b) a criminal proceeding commenced by a summons or charge;
- (c) any investigation into possible violations of law or regulation initiated by any governmental body or self-regulatory organisation, or any proceeding commenced by the filing of a notice of charges, or formal investigative order or similar document and shall include any appeal from such proceeding; or
- (d) a written **Demand**;

against an **Insured** for a **Wrongful Act**, including any appeal therefrom.

A **Claim** shall be deemed to have been made against the **Insured** on the date that the proceeding is served upon any **Insured** in any country, territory, state, provincial or federal court or administrative agency, or a written **Demand** is delivered to any **Insured**, or the date any **Insured** received first written notice regarding the filing of a notice of charges, formal investigative order or similar document from any country, territory, state, provincial or federal regulatory agency.

Dealer means a public corporation acting as a dealer in accordance with Section 9, Part 1.2, Division 1, Chapter 1 of the Corporations Act (Cth) 1989 and amendments thereto, or any similar provisions of any federal, country, state, territory or local statutory law or common law anywhere in the world.

Deductible Amount means that amount set forth in Item 5 of the Schedule.

Defence Costs means that part of **Loss** consisting of reasonable costs, charges, fees (including but not limited to legal counsel's fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of any director, trustee, officer or employee of the **Insured**) incurred in defending or investigating **Claims** and the premium for appeal, attachment or similar bonds.

Demand means a request of an **Insured** by a third party, which seeks specific monetary damages based upon the existence of facts that would create a cause of action in a court of law.

Financial Impairment means the status of the **Insured Trustee** or **Insured Investment Manager** resulting from (a) the appointment by any country, state, territory or federal official, agency or court of any receiver, administrator, conservator, liquidator, trustee, manager, rehabilitator or similar official to take control of, supervise, administer, manage or liquidate the **Insured Trustee** or **Insured Investment Manager**; or (b) the **Insured Trustee** or **Insured Investment Manager** becoming a debtor in possession.

Insured, either in the singular or plural, means the **Insured Trustee**, **Insured Investment Manager**, **Insured Unit Trust** and **Insured Persons**, or any one of them.

Insured Investment Manager, either used in the singular or the plural, means the entity listed in Item 2.(C) of the Schedule while acting in the capacity of the **Investment Manager** to an **Insured Unit Trust** and any past, present, or future director, officer, employee while acting solely in their capacity as such.

Insured Person, either in the singular or plural, means any past, present or future trustee, director or officer of the **Insured Trustee** or **Insured Investment Manager**, while acting solely in their capacity as such.

Insured Trustee, either used in the singular or the plural, means the entity listed in Item 2(B) of the Schedule while acting in the capacity of a **Trustee** of an **Insured Unit Trust** and any past, present, or future director, officer or employee while acting solely in their capacity as such.

Insured Unit Trust, either in the singular or the plural, means the unit trust scheme listed in Item 2(A) of the Schedule.

Interrelated Wrongful Acts means all causally connected **Wrongful Acts**.

Investment Manager, either in the singular or plural, means any body corporate that is an investment adviser as defined in Section 9, Part 1.2, Division 1, Chapter 1 of the Corporations Act (Cth) 1989, and amendments thereto or any similar provisions of any federal, country, state, territory or local statutory or common law anywhere in the world.

Loss means the total amount which any **Insured** becomes legally obligated to pay on account of each **Claim** and for all **Claims** in each **Policy Period** and the Extended Reporting Period, if exercised, made against the **Insured** for **Wrongful Acts** for which coverage applies, including, but not limited to damages, judgments, settlements, costs and **Defence Costs**. **Loss** does not include:

- (a) regular or overtime wages, salaries or fees of the trustees, directors, officers or employees of the **Insured Investment Manager** or **Insured Trustee**;
- (b) any amount which the **Insured** is absolved from paying by reason of any covenant, agreement, or court order;
- (c) fines or penalties imposed by law including but not limited to punitive or exemplary damages, or the multiple portion of any multiplied damage award;
- (d) matters uninsurable under the law pursuant to which this **Policy** is construed; or
- (e) amounts otherwise reimbursable to the **Insured** by any trust, estate plan or fund and/or any similar entity and/ or the sponsor of any such trust, estate, plan or fund and/or any similar entity.

Organisation, whether used in the singular or plural, means that entity set forth in Item 1 of the Schedule.

Policy means the Schedule, proposal (including all attachments and materials submitted with the proposal), **Policy** Sections 1 through 22 inclusive, and any endorsements or amendments thereto.

Policy Period means the period of time specified in Item 3 of the Schedule, subject to prior termination in accordance with section 18. Regardless of whether this period is less than, equal to, or greater than one year, the **Aggregate Limit of Liability** specified in item 4 shall be the Company's maximum limit of liability under this **Policy** for the entire period. If the Extended Reporting Period is exercised, it shall be part of the **Policy Period** and not an additional **Policy Period**.

Pollutants means any substances located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by an environmental protection agency (including, but not limited to, the United States Environmental Protection Agency) or a country, state, territory, county, municipal or local counterpart thereof. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants, smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials. **Pollutants** shall also mean any other air emission, odour, waste water, oil or oil products, infectious or medical waste, asbestos, or asbestos products and any noise.

Professional Services means:

- (a) With respect to an **Insured Trustee**, only those services performed or required to be performed by an **Insured Trustee** solely in its capacity as a **Trustee** for or on behalf of an **Insured Unit Trust**.
- (b) With respect to an **Insured Investment Manager**, only those services performed or required to be performed by an **Insured Investment Manager** solely in its capacity as an **Investment Manager** or **Administrator** for or on behalf of an **Insured Unit Trust** pursuant to the **Trust Deed**.

Trust Deed means the written agreement between the **Insured Investment Manager** and the **Insured Trustee** which creates an **Insured Unit Trust** and which is approved by the Australian Securities Commission pursuant to Section 1065, Division 5, Part 7.12, Chapter 7 of the Corporations Act (Cth) (1989), as amended.

Trustee means any body corporate that is duly appointed and approved to act as the trustee of a unit trust pursuant to a **Trust Deed**.

Wrongful Act means:

- (a) With respect to Insuring Agreements 1.A., 1.B. and 1.C., any error, misstatement, misleading statement, act, omission, neglect, breach of duty or breach of trust committed, attempted or allegedly committed or attempted, by an **Insured Trustee** or **Insured Investment Manager** while performing or failing to perform **Professional Services**, or any other matter claimed against an **Insured Trustee** or **Insured Investment Manager** solely by reason of their performing or failing to perform **Professional Services**;
- (b) With respect to Insuring Agreement 1.D., any error, misstatement, misleading statement, act, omission, neglect, breach of duty or breach of trust committed, attempted or allegedly committed or attempted, by an **Insured Person** while acting solely in their capacity as such or any other matter claimed against an **Insured Person** solely by reason of their serving in such capacity.