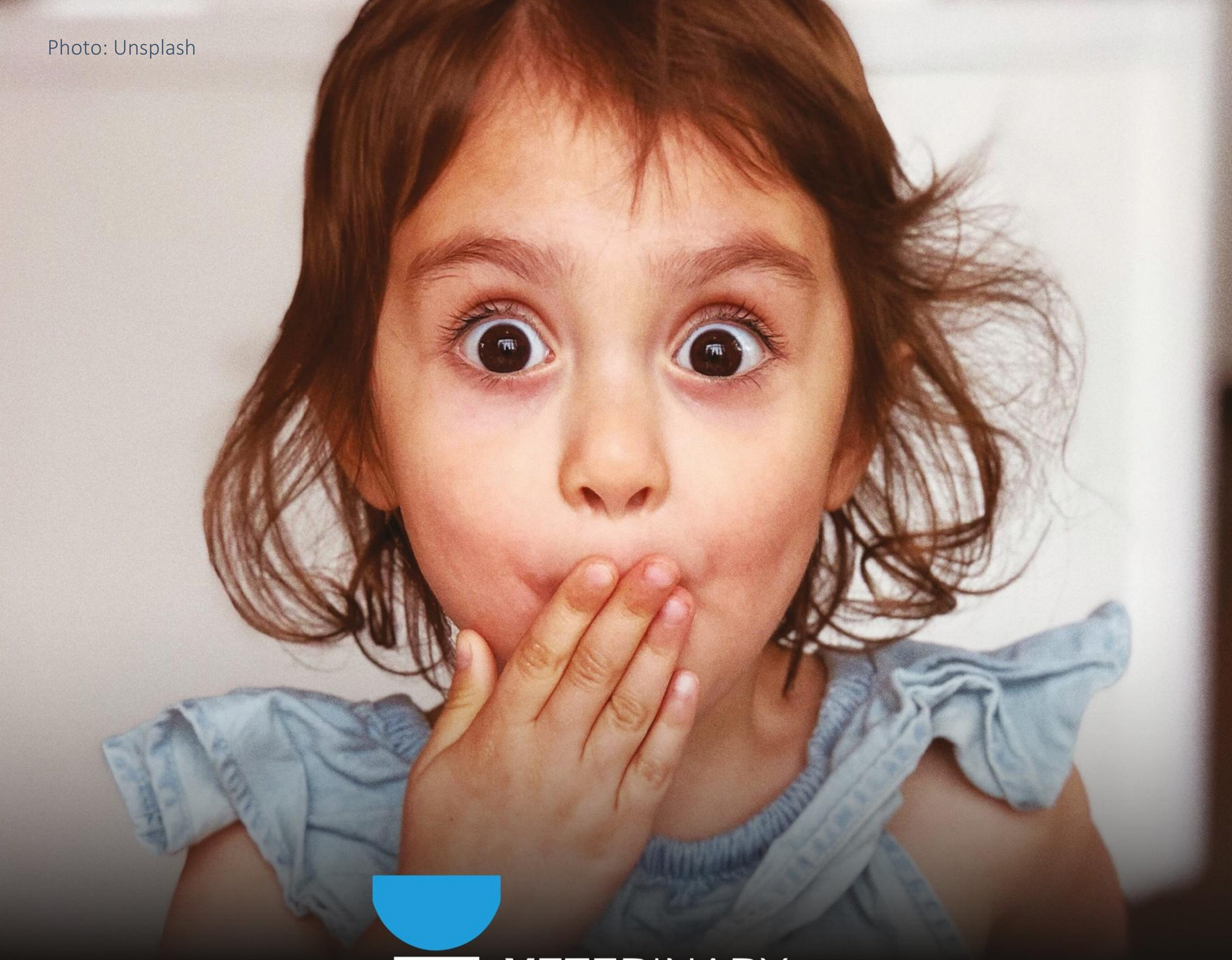

Photo: Unsplash

VETERINARY
PROFESSIONAL
INSURANCE
SOCIETY (INC)

Professional Liability Insurance Policy Wording

VPIS POL 26-27 (1)

PO Box 11-212, Wellington
www.vpis.org.nz

VET001/43_1547466

Contents

General information about this insurance

Insurer

This **Policy** is underwritten by the Veterinary Professional Insurance Society Incorporated (**VPIS**) and administered by Arthur J. Gallagher & Co (NZ) Limited, trading as Gallagher.

AM Best's Financial Strength Rating (FSR) Scale

Rating Categories	Rating Symbols	Rating Notches*	Category Definitions
Superior	A+	A++	Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations
Excellent	A	A-	Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
Good	B+	B++	Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
Fair	B	B-	Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Marginal	C+	C++	Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Weak	C	C-	Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
Poor	D	-	Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.

* Each AM Best's Financial Strength Rating Category from "A+" to "C" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+" or a minus

VPIS has a financial strength rating from AM Best which is B (fair) with a stable outlook.

Our contract with you

This **Policy** is a contract of insurance between the **Insured** named in the **Schedule** and **VPIS**. The **Policy** contains all the details of the cover that **VPIS** provides, subject always to receipt of the premium. The **Policy** consists of and must be read together with the **Schedule** which includes any endorsements. The protection provided by this **Policy** is only for the **Policy Period** and any **Run-Off Period.**

VPIS agrees that this **Policy** is a contract with the **Insured** in return for the premium paid or promised to be paid, and in reliance upon the statements in the application completed by the **Insured**, and the **Schedule** and subject to the terms, conditions, exclusions of, and any endorsements to, the **Policy**.

Our policy

This **Policy** includes the **Schedule** and will be considered as one document. Please review the **Policy** carefully and discuss policy coverage with Arthur J. Gallagher & Co (NZ) Limited.

Arthur J. Gallagher & Co (NZ) Limited
PO Box 3020, Christchurch 8140
Ph: (03) 339-5294
Fax: (03) 378-3443
Email: **vpisbroker@vpis.org.nz/ vpis@ajg.co.nz**

The following rules of interpretation apply to this **Policy**:

- Where headings are used in this **Policy** they are purely descriptive in nature and are not intended to be used for interpretative purposes.
- Terms in **bold print** are defined terms and have a special meaning as set out in the Definitions (Section 7) and elsewhere. Any word or expression to which a specific meaning has been attached bears that specific meaning wherever it may appear. In relation to any word or expression not specifically defined in this document, it is

agreed that the definition normally attributed to it by any applicable law or business practice shall apply.

- Except where the context otherwise requires, a reference to the singular includes the plural and vice versa. All monetary amounts and limits referred to in this **Policy** are in New Zealand dollars and are amounts and limits that are exclusive of GST unless stated otherwise.
- Reference to any New Zealand Parliamentary Act in this **Policy** shall include amendments, re-enactments, replacements and any statutory regulations, legislative instruments or other subordinate legislation made under the Act.

Claims made basis of cover

This **Policy** is a claims made policy. This means cover is limited to liability for **Claims** first made against an **Insured** and reported in writing to **VPIS** during the **Policy Period or Run-Off Period**. The **Policy** must be in force and all premiums paid by the **Insured** for there to be cover.

Dispute resolution

VPIS is a member of the dispute resolution scheme provided by the Insurance & Financial Services Ombudsman (IFSO). You can obtain more information on the IFSO from the website **www.ifso.nz** or by contacting the IFSO at 0800 888 202, **info@ifso.nz** or PO Box 10 845, Wellington 6143.

Duty of disclosure

The **Insured** must disclose to **VPIS** all information that could be considered material to deciding whether to offer the **Insured** insurance cover, or continue to offer cover, and if so on what terms. Information is considered material if it would influence the judgement of a prudent insurer in setting the premium or in determining the terms on which to take the risk or whether to take the risk at all. This includes any circumstances or conduct that may lead to a **Claim** being made against the **Insured**, whether or not the information has been specifically requested by **VPIS** to be disclosed. The **Insured** has a duty to advise **VPIS** of any material change to the facts previously notified to **VPIS** at any time including prior to the commencement of cover, or upon renewal, or during the **Policy Period**, or before any variation to the **Policy**.

Failing to disclose material information could result in your **Policy** being avoided, which means that it could be deemed to have never existed, and no **Claims** would be payable. If in doubt about what should be disclosed, disclose the information.

If there is non-disclosure or misstatement of material information **VPIS** may elect to terminate the **Policy**, and/or decline a **Claim** if it would otherwise be allowed at law to avoid the **Policy**.

Change of Mind

If you decide the **Policy** is not right for you, you can cancel it within 14 days of the Date Bound as stated in the **Schedule** and receive a full refund of any premium paid provided you do not make a **Claim** under the **Policy** or exercise any other right under the **Policy**.

After this 14 day period you can cancel on the basis set out in Section 6.4.

Notice to VPIS

Whenever **VPIS** is to be notified under this **Policy**, the notification shall be in writing and sent to the following:

Veterinary Professional Insurance Society Inc.
Email: **claims@vpis.org.nz**

Privacy information

VPIS is committed to protecting any personal information entrusted to us for the purpose of evaluating your request for insurance and in relation to a **Claim** in accordance with the Privacy Act 2020. The information you provide will be held by **VPIS**, Arthur J. Gallagher & Co (NZ) Limited and/or Berkshire Hathaway Specialty Insurance however the **Insured** has the right to access and correct this information in accordance with the Privacy Act 2020. **VPIS's** full privacy statement can be viewed at https://www.vpis.org.nz/privacy.

Coverage

This section contains the insuring clauses, terms, conditions and exclusions that relate to the **Policy**.

Cover is provided by **VPIS** subject to the terms, limitations, exclusions and conditions of this **Policy**.

Section 1. Insuring clauses

1.1. Professional Indemnity

1.1.1. **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty**. The **Breach of Duty** must take place on or after the **Retroactive Date** and before the end of the **Policy Period**. A **Claim** must be first made against the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period**.

1.1.2. **VPIS's** maximum liability in respect of any **Claim** under Section 1.1.1 shall not exceed the **Limit of Liability** and **Defence Costs Limit**.

1.2. Public Liability

1.2.1 **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others for **Bodily Injury** or **Property Damage** arising out of an **Occurrence** during the **Insured's** performance of **Professional Services** or those activities directly connected with the **Veterinary Practice.** The **Bodily Injury** or **Property Damage** must occur on or after the **Retroactive Date** and before the end of the **Policy Period.**

1.2.2 **VPIS** will not indemnify the **Insured** in respect of any **Property Damage** to any animal in respect of which the **Insured** performs **Professional Services.**

1.2.3 A **Claim** must be first made against the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period**.

1.2.4 **VPIS's** maximum liability in respect of any one **Occurrence** resulting in a **Claim** under section 1.2.1, irrespective of the number of **Claims** arising directly or indirectly from that **Occurrence,** shall not exceed the **Limit of Liability** and **Defence Costs Limit.**

1.3. Statutory Liability

1.3.1 **VPIS** shall pay **Defence Costs**, **Reparation** and **Penalties** that the **Insured** shall become legally obliged to pay arising from an **Event.** The **Event** must take place on or after the **Retroactive Date** and before the end of the **Policy Period**. A **Claim** must be first made against the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period**

1.3.2 **VPIS's** maximum liability in respect of any **Claim** under Section 1.3.1 shall not exceed the **Limit of Liability** and **Defence Costs Limit.**

1.4. Employer's Liability

1.4.1 **VPIS** shall pay **Defence Costs**, **Penalties** and all amounts that the **Insured** shall become legally obliged to pay as a result of an **Employee** of the **Insured** sustaining **Bodily Injury** resulting from that **Employee's** employment in the conduct of the **Insured's Veterinary Practice**. The **Bodily Injury** must have been sustained on or after the **Retroactive Date** and before the end of the **Policy Period.** A **Claim** must have first been made against the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period**.

1.4.2 **VPIS's** maximum liability in respect of any **Claim** under Section 1.4.1 shall not exceed the **Limit of Liability** and **Defence Costs Limit.**

1.5. Administrative Hearings

1.5.1 **VPIS** shall pay **Defence Costs** arising out of an **Administrative Hearing** where the **Insured** is the subject of the complaint, action, inquiry or hearing. The actual or alleged conduct giving rise to the **Administrative Hearing** must take place on or after the **Retroactive Date** and before the end of the **Policy Period**. A **Claim** must be first made against the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period**.

1.5.2 **VPIS's** maximum liability in respect of any **Claim** under Section 1.5.1 shall not exceed the **Defence Costs Limit.**

1.6. Loss of Earnings

1.6.1 In the event any natural person who is an **Insured** attends court or an **Administrative Hearing** as a party in connection with a **Claim**, **VPIS** shall pay that individual for loss of earnings (excluding such earnings for the first 2 working days from the day of first attendance) from their permanent employment or professional engagement as to **Professional Services** up to the rate specified in the **Schedule** for each day on which the person is required to attend.

1.6.2 **VPIS's** maximum liability in respect of any **Claim** made under Section 1.6.1 shall not exceed the **Limit of Liability**.

1.7. Fee Waiver

1.7.1 Where **VPIS** requires the **Insured** to waive all or part of any outstanding fee properly due to the **Insured** to assist in the settlement of any **Claim** then the actual cost to the **Insured** of such waived fee (excluding profit to the **Insured**) shall be paid by **VPIS** less the **Excess**.

1.7.2 **VPIS's** maximum liability in respect of any **Claim** made under Section 1.7.1 shall not exceed the **Limit of Liability**.

1.8. Loss of Documents

1.8.1 Where there is a **Claim** under Section 1.1 (Professional Indemnity), **VPIS** shall pay for:

a. loss, damage or destruction of any **Documents** belonging to the **Insured** or for which the **Insured** is legally responsible and such **Documents** being held in connection with the **Professional Services**; and

b. all reasonable costs and expenses incurred by the **Insured** in replacing and/or restoring any **Documents** being held in connection with the **Professional Services** which have been lost, damaged or destroyed.

1.8.2 For there to be cover such loss, damage or destruction must be sustained during the **Policy Period** while the **Documents** are either in transit anywhere in the world, or in the custody of the **Insured** or of any person to whom the **Insured** has entrusted them in the course of the normal conduct of the **Professional Services**.

1.8.3 **VPIS** shall only be liable for such loss, damage or destruction which is notified to **VPIS** within the **Policy Period** and rectification of which is undertaken as soon as practicable by the **Insured** with the prior written consent of **VPIS**, such consent not to be unreasonably withheld.

1.8.4 **VPIS** will not indemnify the **Insured** in respect of any:

a. loss, damage or destruction of **Documents** arising directly or indirectly from or attributable to wear and tear, moth and/or vermin, or any other gradually operating cause, or by any circumstance specified in Section 4.30 (War/Terrorism exclusion); and

b. loss, damage or destruction to any electronically stored records; and

c. costs or damages associated with the Privacy Act 2020 relating to the loss, damage or destruction of **Documents**; and

d. matter otherwise excluded by Section 4.

1.8.5 A **Claim** under this Section must be first made by the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period.**

1.8.6 **VPIS's** maximum liability in respect of any **Claim** made under section 1.8.1 shall not exceed the **Limit of Liability**.

1.9. Exemplary Damages

1.9.1 **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others for punitive or exemplary damages in connection with a **Claim** arising out of an

Occurrence during the **Insured's** performance of **Professional Services** or those activities directly connected with the **Veterinary Practice**. The **Occurrence** giving rise to the **Claim** must take place on or after the **Retroactive Date** and before the end of the **Policy Period**. A **Claim** under this Section must be first made by the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period.**

1.9.2 **VPIS's** maximum liability in respect of any **Claim** made under Section 1.9.1 shall not exceed the **Limit of Liability** and **Defence Costs Limit.**

Section 2. Optional extensions

2.1. Optional Extensions Conditions

2.1.1. Notwithstanding Section 4.15 (Excluded Claims), if an optional extension as specified in any of Sections 2.2 to 2.9 (inclusive) is stated as included in the **Schedule** then:

a. **Claims** arising from a **Breach of Duty** which come within the terms of the optional extension, as the activities relate to the **Insured's Veterinary Practice:**

i shall be covered under the optional extension Section stated as included in the **Schedule;** and

ii should more than one of Sections 2.2 to 2.9 (inclusive) apply to the **Claim** then the Section with the highest **Limit of Liability** shall provide the sole and total **Limit of Liability** and **Defence Costs** payable by **VPIS** in respect of the **Claim**; except

iii should both Section 2.8 (Services provided by Technicians) and Section 2.9 (Conveyors) apply to the **Claim** then Section 2.9 (Conveyors) shall provide the sole and total **Limit of Liability** and **Defence Costs** payable by **VPIS** in respect of the **Claim;** and

iv such a **Claim** has cover under the terms of the Insuring Clauses in Section 1 however the sole and total **Limit of Liability** and **Defence Costs** payable by **VPIS** in respect of the **Claim** shall be determined in accordance with Section 2.1.1 (ii) and (iii) above with no other sum payable as otherwise stated in the **Schedule** for Section 1; and

such cover under any of Sections 2.2 to 2.9 (inclusive) being subject to all other terms, limitations, exclusions and conditions of the **Policy**.

2.1.2. For an optional extension being Sections 2.2 to 2.9:

a. The **Breach of Duty** must take place on or after the **Retroactive Date** and before the end of the **Policy Period**. A **Claim** must be first made against the **Insured** and reported to **VPIS** in writing during the **Policy Period** or **Run-Off Period;**

b. **VPIS's** maximum liability in respect of any **Claim** shall not exceed the **Limit of Liability** and **Defence Costs Limit.**

2.2. Clinical Trials, Research Services or Animal Studies

2.2.1 **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** in relation to **Clinical Trials**, **Research Services or Animal Studies** for such activities as stated in the **Schedule**.

2.2.2 For there to be cover, such **Clinical Trials**, **Research Services or Animal Studies** must comply with all New Zealand statutory requirements and have been approved by, and conducted in accordance with any in force guidelines approved by, the National Animal Ethics Advisory Committee and/or an Animal Ethics Committee operating under a Code of Ethical Conduct, or any successor body, or any government department, or public or private statutory body, which is concerned with health and/or medical and/or veterinary research in New Zealand.

2.2.3 **VPIS** shall not indemnify the **Insured** in relation to any **Claim** which arises directly or indirectly out of:

a. faulty or inadequate product used during any **Clinical Trials**, **Research Services or Animal Studies**; or

b. the efficacy or failure of any product used during any **Clinical Trials, Research Services or Animal Studies** to cure, alleviate, prevent, eliminate or retard **Bodily Injury** or **Property Damage** or physical injury, sickness or disease whether physical or mental, or emotional distress or death sustained by an animal;

c. an adverse reaction arising directly or indirectly from **Clinical Trials, Research Services or Animal Studies**.

2.3. Equine Pre-purchase Examination Report

2.3.1 **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** in the provision of an **Equine Pre-purchase Examination Report** by an **Insured Veterinarian** named in the **Schedule** as providing such reports if:

a. the **Equine Pre-purchase Examination Report** is carried out in a territory named in the **Schedule** for Section 2.3**;** and

b. the **Insured Veterinarian** named in the **Schedule** as providing such reports holds the necessary professional **qualification** to provide an **Equine Pre-purchase Examination Report** including conducting an associated examination in the territory so named in the **Schedule**; and

c. the report is fully completed in the current format approved by the New Zealand Equine Veterinary Association being a branch of the New Zealand Veterinary Association; and

d. the report is provided to the **recipient** of the **Equine Pre-Purchase Examination Report** within 30 days of the associated examination being carried out, with the **Insured** retaining a copy of that report; and

e. the contract under which the **Insured** provides the **Equine Pre-Purchase Examination Report** must be in writing and include agreement by the parties that the contract "is governed by New Zealand law" and "the buyer irrevocably agrees that the Courts of New Zealand will have exclusive jurisdiction to hear and determine all disputes under or in connection with this contract. The buyer further acknowledges that New Zealand is *forum conveniens* for the hearing and determination for all disputes in connection with this contract"; and

f. the **Equine Pre-purchase Examination Report** provides no opinion as to suitability for purpose with the exception of the specified **wording** requirements of the Hong Kong Jockey Club and the Malaysian Racing Association.

2.3.2 Should the conditions in Section 2.3.1 (c) and/or (d) not be met, with all other conditions in that Section being met, **VPIS** shall provide cover in accordance with Section 2.3.1 but require payment of the higher **Excess** specified in the **Schedule.**

2.4. Frozen Embryo and Frozen Semen Storage and Handling

2.4.1 **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** in **Frozen Embryo or Frozen Semen Processing/Storage** or **Frozen Embryo or Frozen Semen Transfer**.

2.4.2 **VPIS** shall not indemnify the **Insured** for a **Claim** arising out of **Frozen Embryo or Frozen Semen**

Processing/Storage or **Frozen Embryo or Frozen Semen Transfer**unless the frozen embryo or frozen semen is received by the Insured in a condition acceptable to a reasonable **Veterinarian** and the **Insured** has made a reasonable effort to comply with the 'Standard Operating Procedure, Stock Register and Maintenance Log for Frozen Embryo and Frozen Semen Storage and Handling' as set by **VPIS.**

2.5. Joint Venture Liability

2.5.1 **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** and as a result of the **Insured's** participation in any joint venture or partnership arrangement if stated in the **Schedule**.

2.5.2 **VPIS** shall not indemnify the **Insured** in respect of any **Claim** brought against them:

a. by any other joint venture party or partner unless such claim is made under a right of subrogation and in respect of a claim to which this **Policy** would otherwise have responded;

b. any business dispute not arising out of an **Insured's Breach of Duty**;

2.5.3 For there to be cover, the **Insured's** income from such joint venture or partnership forms must have been included in the income disclosed by the **Insured** to **VPIS**.

2.6. Non-Veterinary Activity

2.6.1 **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** in relation to those **Non-Veterinary Activities** listed on the **Schedule**.

2.6.2 Cover is only provided under this Section for a **Breach of Duty** by an individual **Insured** person named in the **Schedule** under this extension for the activities shown in the **Schedule** as performed by the named individual**.**

2.7. Overseas Work

2.7.1. **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** in relation to **Overseas Work** conducted outside the jurisdiction and territory of New Zealand by a **Veterinarian** who holds a current Practicing Certificate under the relevant overseas legislation.

2.7.2. Cover is provided under this Section only for the individual **Insured** persons and declared countries stated in the **Schedule**.

2.7.3. **VPIS** shall not indemnify the **Insured** for a **Claim** arising out of **Overseas Work** unless the contractual arrangements between the **Insured** and the third party for whom the **Insured** provides **Overseas Work** acknowledges that all and any disputes arising from the services provided are governed by the laws of New Zealand and that New Zealand will be the *forum conveniens* for any hearing in the event that any dispute occurs.

2.8. Services provided by Technicians

2.8.1. **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** in relation to work carried out by:

a. a **Production Animal Technician**; or

b. an **Equine Veterinary Technician**;

subject to the conditions in Sections 2.8.2 to 2.8.4 and only to the extent such **Breach of Duty** is:

c. for a **Production Animal Technician,** in respect of a **Production Animal**; and

d. for an **Equine Veterinary Technician**, in respect of a horse.

2.8.2. **VPIS** shall provide cover under Section 2.8.1, and require payment of a standard **Excess** specified for cover under Section 2.8.1**,** only if:

a. the **Technician** is an **Employee** of the **Insured** and is named in the **Schedule**; and

b. the work carried out by a **Production Animal Technician** is:

   i. work allowed to be carried out by a **Technician** under the Animal Welfare Act 1999 and any regulations made pursuant to that Act including the Animal Welfare (Care and Procedures) Regulations 2018 (and any amending legislation) on the basis that "significant surgical procedures" under that Act are as defined in the current New Zealand Veterinary Association's Large Animal Veterinary Technicians Professional Guidelines; and

   ii. carried out by them to the same standard of care expected of a reasonable **Veterinarian;** and

c. the work carried out by an **Equine Veterinary Technician** is:

   i. work allowed to be carried out by a **Technician** under the Animal Welfare Act 1999 and any regulations made pursuant to that Act including the Animal Welfare (Care and Procedures) Regulations 2018 (and any amending legislation) on the basis that "significant surgical procedures" under that Act are as defined in the current New Zealand Veterinary Association's Equine Veterinary Technician Guidelines; and

   ii. carried out by them to the same standard of care expected of a reasonable **Veterinarian;** and

d. the **Technician** has received appropriate training and supervision by an **Insured Veterinarian**, or a suitably qualified person for a particular procedure appointed by the Insured, to a reasonable level of competency for the relevant procedure or duties of a **Technician** being:

   i. in respect of **Production Animals**, to the standard required for the **Technician** to meet the obligations set by the NZVA Large Animal Veterinary Technicians Professional Guidelines; and

   ii. in respect of horses, to the standard required for the **Technician** to meet the obligations of the NZVA Equine Veterinary Technician Guidelines; and

   iii. for work carried out as allowed by the Animal Welfare (Care and Procedures) Regulations 2018 (and any amending legislation) or other Regulation made pursuant to s183B of the Animal Welfare Act 1999 (and any amending legislation) to the standard stipulated by the relevant Regulation and in addition to the standard that could be reasonably expected of a **Veterinarian** carrying out such tasks; and

e. the **Insured** has at least annually reviewed and updated the **Technician's** training records and such training records are provided to **VPIS** in the event of a **Claim**; and

f. the **Technician** is providing services:

   i. for a **Production Animal Technician,** in respect of a **Production Animal**; and

   ii. for an **Equine Veterinary Technician**, in respect of a horse; and

g. the **Technician** and supervising **Insured Veterinarian** have all received and read the current NZVA Large Animal Veterinary Technicians Professional Guidelines.

2.8.3. Should the conditions in Section 2.8.2 (b) and/or (c) not be met, with all other conditions in that Section being met, **VPIS** shall provide cover under Section 2.8.1 but require payment of the higher **Excess** specified in the **Schedule**.

2.8.4. There shall be no cover for a **Claim** arising out of a **Technician** performing work allowed by the Animal Welfare (Care and Procedures) Regulations 2018 (and any amending legislation) including a specified surgical procedure, diagnosing a disease or prescribing a restricted veterinary medicine unless the **Technician** has been authorised to do so under an **Insured Veterinarian's** veterinary operating instructions which meets the guidelines of the current Ministry of Primary Industries Guidance Document: Veterinary Operating Instructions.

2.9. Conveyors

2.9.1. **VPIS** shall pay **Defence Costs** and all amounts that the **Insured** shall become legally obliged to pay to compensate others arising out of the **Insured's Breach of Duty** in relation to work carried out while using a mechanical conveyor to administer health related procedures by an **Insured** individual who is employed and trained by the **Insured** named in the **Schedule**.

Section 3. Limits of liability and Excess

3.1. Limits of Liability

3.1.1. The **Limit of Liability** payable by **VPIS** for a **Claim** shall not exceed the amount stated in the **Schedule** for the insuring Section, and subject to the annual aggregate limit stated in the **Schedule**.

3.1.2. The **Defence Costs Limit** payable by **VPIS** for a **Claim** shall not exceed the amount stated in the **Schedule** for the insuring Section, and subject to the annual aggregate limit stated in the **Schedule**.

3.1.3. The inclusion of more than one **Insured** as a party to a **Claim** does not operate to increase the total amount payable by **VPIS**.

3.1.4. A single **Limit of Liability** and/or single **Defence Costs Limit** shall be payable by **VPIS** for a **Single Claim,** but shall not exceed the amount stated in the **Schedule** for the insuring Section. A **Single Claim** shall be considered to have taken place when the earliest **Breach of Duty, Occurrence**, **Event,** act, omission, source or cause took place.

3.1.5. **VPIS** shall only be liable to pay that amount of any **Claim** which is above the **Excess** stated in the **Schedule** for each insuring Section. The **Excess** is to be borne by the **Insured** and shall remain uninsured.

3.1.6. The **Limit of Liability** includes interest on any compensation that the **Insured** becomes legally obliged to pay to a third party, or otherwise, through a settlement with that third party.

3.1.7. If the liability of the **Insured** to a third party by way of judgment, order, award or settlement in respect of a **Claim** exceeds the **Limit of Liability**, then **VPIS** shall:

a. determine the **Limit of Liability** as a percentage of the total liability or loss of the **Insured**; and

b. be liable to pay only that same percentage of the **Defence Costs Limit.**

3.1.8. If the **Schedule** provides a sub-limit which applies to an insuring Section that sub-limit shall be the applicable maximum liability of **VPIS** to pay as the **Limit of Liability** and/or **Defence Costs Limit** as specified for a **Claim** made under that insuring Section, and subject to the annual aggregate limit stated in the **Schedule**.

3.1.9. Sections 3.1.1 to 3.1.8 (inclusive) are to be read subject to Sections 2.1.1 to 2.1.2 and should there be any conflict between the provisions of Sections 3.1.1 to 3.1.8 (inclusive) and Sections 2.1.1 to 2.1.2 then Sections 2.1.1 to 2.1.2 shall prevail.

3.2. Excess

3.2.1 A single **Excess** shall be payable by the **Insured** for a **Single Claim** that is covered under one or more insuring Sections. The **Excess** payable shall be the highest **Excess** stated in the **Schedule** for any insuring Section which may respond to the **Claim** including any **Excess** specified to be payable on stated terms.

Section 4. Exclusions

4.0 **VPIS** shall not indemnify the **Insured** in relation to any **Claim** arising directly or indirectly out of:

4.1. Action commenced by Insured

4.1.1 Any legal action commenced by an **Insured.**

4.2. Assumption of Liability

4.2.1. Any liability in relation to which the **Insured** has at any time agreed to forego, exclude or limit a right of recovery.

4.2.2. Any liability assumed by the **Insured** including under any contract, warranty or guarantee, unless such liability would exist in the absence of such contract, warranty, or guarantee.

4.3. Billing

4.3.1 Matters involving billing or miscoding, unless the matter involves an **Administrative Hearing** where the **Insured's** current Practising Certificate or ability to practice as a **Veterinarian** is at risk.

4.3.2 Any trading debt incurred, or any guarantee in respect of such debt given, by the **Insured**.

4.4. Bodily Injury of Employee

4.4.1 The **Bodily Injury** of any **Employee** or person engaged by the **Insured**, except as covered under Sections 1.3 (Statutory Liability), 1.4 (Employer's Liability) or Section 1.9 (Exemplary Damages).

4.5. Continuing Event

4.5.1. Any **Penalty** imposed on the **Insured** in relation to:

a. a daily or ongoing **Event** or offence to the extent that the **Penalty** relates to the period of time after the **Insured** first received notice of the prosecution or of the intention to commence the prosecution; or

b. the cost or payment of any enforcement order, remedial order or compliance order; or

c. the cost or payment of any tax (**Penalty** or otherwise), interest, compliance costs, duty or other monetary obligation to the Inland Revenue Department.

4.6. Costs Ordered by the Veterinary Council

4.6.1 Any order made by the Veterinary Council of New Zealand against the **Insured** that the **Insured** pay a fine, refund fees, pay a complainant's costs and expenses, or pay the Veterinary Council of New Zealand's costs and expenses in relation to an **Administrative Hearing**.

4.7. Criminal Prosecution

4.7.1 Any defence of **Criminal Prosecution**, except as covered under Section 1.3 (Statutory Liability).

4.8. Cyber Attack

4.8.1. The use or operation, as a means of inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

4.9. Digital Assets

4.9.1. Virtual or digital assets or currency of any kind, whether actual of fictitious, including cryptocurrencies, electronic currency, virtual currency or any other digital assets designed or used as a medium of exchange and tokenised assets that certify authenticity or ownership of digital or virtual items.

4.10. Director and Officer Liability

4.10.1 Any **Breach of Duty** arising in the course of managing or administering the business of the **Veterinary Practice**, however this exclusion will not apply where a **Breach of Duty:**

a. by an **Insured** director gives rise to an **Event** which results in, or may result in, the director being in breach of the Health and Safety at Work Act 2015;

b. arises from the **Insured's** activities as a member of a formal accreditation or professional review board of a professional society, or professional licensing board, relating to **Veterinarians.**

4.11. Conduct of Employer

4.11.1. The conduct of the **Insured** as an employer, except as covered by Sections 1.3, 1.4 and 1.9, including but not limited to the following:

a. dealing with applications for employment, refusal to employ, termination of employment, coercion, demotion, evaluation, re-assignment, discipline, defamation, harassment including sexual harassment, humiliation, or violation of civil rights;

b. any allegations of harassment whether sexual or otherwise, duress, intimidation or deliberate breach of the provisions of the Employment Relations Act 2000 committed or condoned by the **Insured**;

c. any wages, holiday pay, allowances (whether reimbursing or otherwise), benefits and all other payments to **Employees** or contractors arising under an **Employment Agreement** or contract of service;

d. any obligation under a workers' compensation, disability benefits, unemployment compensation law, or similar law.

4.12. Excluded Acts

4.12.1. Any of the following statutes or any statutory amendment, substitution or re-enactment of the following statutes:

a. Arms Act 1983;

b. Aviation Crimes Act 1972;

c. Commerce Act 1986;

d. Crimes Act 1961;

e. Criminal Investigations (Bodily Samples) Act 1995;

f. Criminal Proceeds (Recovery) Act 2009;

g. Financial Markets Conduct Act 2013;

h. Land Transport Act 1998;

i. Misuse of Drugs Act 1975;

j. Privacy Act 2020 as arising from any loss, damage or destruction of any **Documents;**

k. Summary Offences Act 1981.

4.12.2. Costs or compensation:

a. for which cover to any extent is provided by the Accident Compensation Act 2001 (**the ACC Act**); or

b. which would have been provided by **the ACC Act** but for the **Insured** being an exempt employer in terms of **the ACC Act;** or

c. which would have been provided had a claim been made under **the ACC Act**.

4.13. Intellectual Property – Confidential Information

4.13.1. Any intellectual property including but not limited to breach of copyright, registered design or patent or misuse of confidential information or trade secrets by the **Insured**.

4.14. Dishonest, criminal, fraudulent, wilful, reckless, malicious conduct

4.14.1 Any dishonest, criminal, fraudulent, deliberate, wilful, reckless or malicious act, error, or omission by the **Insured**, including but not limited to:

a. Any **Breach of Duty** or act or omission giving rise to a **Claim** or an **Administrative Hearing**, with knowledge by the **Insured** that it was a **Breach of Duty** or the act or omission would give rise to a **Claim** or an **Administrative Hearing**;

b. Any **Event** which has resulted from the **Insured's** intentional, knowing, willful or reckless disregard for the provisions of any **Statute;**

c. Any offence under a **Statute** where it has been established by judgment or order of the Court that the **Insured** has knowingly, wilfully or recklessly committed an **Event;**

d. Any **Event** which has resulted from the **Insured's** intentional, knowing or reckless failure to comply with any lawful abatement notice or enforcement order, improvement notice, prohibition notice or suspension notice, building notice, Notice to Rectify, Compliance Schedule, Gazetted Notice, or order made by a Commission, Complaints Review Tribunal, or Standards Review Board;

e. The **Insured's** intentional, knowing or reckless failure to use the form stipulated to be used as part of an **Equine Pre-purchase Examination Report** as approved by the New Zealand Equine Veterinary Association being a branch of the New Zealand Veterinary Association.

4.15. Excluded Claims

4.15.1. The following:

a. **Clinical Trials**, **Research Services or Animal Studies;**

b. **Frozen Embryo or Frozen Semen Processing/Storage;**

c. **Frozen Embryo or Frozen Semen Transfer;**

d. **Equine Pre-Purchase Examination Report**;

e. **Joint Venture Liability**;

f. **Non-Veterinary Activity**;

g. **Overseas Work**;

h. Services provided by **Technicians;**

i. The use of any mechanical conveyor used to administer health related procedures.

except where cover is provided by an optional extension(s) under Sections 2.2 to 2.9 (inclusive) as stated in the **Schedule** in which case there shall be cover for a **Claim** under the relevant stated optional extension together with any of Sections 1.1 to 1.7 (inclusive) or Section 1.9 and subject to Section 2.1 (Optional Extension Conditions).

4.15.2. The acts or omissions of an entity not being a natural person which provides services in respect of animals other than the named **Insured**.

4.15.3. Any representation by an Insured regarding fertility or reproduction rates.

4.16. Farm Management Decisions

4.16.1. Any **Farm Management Decision**, unless:

a. the advice upon which the **Farm Management Decision** relies was given by a **Veterinarian**, **Locum** or (if cover under optional extension Section 2.8 (Services provided by Technicians) is stated as included in the **Schedule**) **Technician**; and

b. the **Farm Management Decision** relates to the application to the farm of recognised veterinary expertise and procedures.

4.16.2. There shall be no cover for any financial, taxation or investment advice provided.

4.17. Insolvency, bankruptcy, liquidation

4.17.1 The insolvency, bankruptcy or liquidation of the **Insured**.

4.18. Insured vs Insured

4.18.1 Any **Claim**:

a. arising from any demand made by a party being an **Insured** against any other party being an **Insured**; or

b. arising from any demand made by a member of the family of any principal, partner, shareholder or director of the **Insured**; or

c. arising from any demand made by any entity who owns or controls, or who is a **Subsidiary** of, a corporate **Insured**; or

d. arising from any demand made by a joint venture entity in which the **Insured** is a partner or shareholder;

unless the **Claim** is an **Administrative Hearing** or is connected directly with a **Claim** made by an unrelated third party.

4.19. Intoxication

4.19.1 Any **Breach of Duty**, or act or omission that gives rise to an **Administrative Hearing**, arising from **Professional Services** rendered by the **Insured** while under the influence of intoxicants or drugs or arising from any failure to render services competently or at all because of such influence, but this exclusion does not apply to liability for **Claims** arising out of **Professional Services** rendered whilst the **Insured** is either:

a. taking prescription drugs in accordance with a doctor's prescription; or

b. taking patent medicines in accordance with the manufacturer's instructions.

4.20. Known Claims and circumstances

4.20.1. Any **Claims** where a **Claim** was made against the **Insured**, or circumstances which may give rise to a **Claim** which were known or ought to have been known to the **Insured**, prior to the **Policy Period** and which was not disclosed to **VPIS** prior to commencement of the **Policy Period**.

4.20.2. Any **Claim** which was threatened or intimated or commenced or of which the **Insured** ought to have been aware prior to the **Retroactive Date**.

4.21. Recording productions

4.21.1 Any certification of examination for animals in connection with any motion picture film, digital recording, digital live stream, television or video production.

4.22. No Practising Certificate

4.22.1 Any **Breach of Duty**, **Event** or **Occurrence** committed by an **Insured Veterinarian** at a time when they did not hold a practising certificate as required by law under Section 26 of the Veterinarians Act 2005 (or for **Overseas Work** an equivalent legislation in the relevant overseas jurisdiction) or while the **Insured's** practising certificate was suspended or where the **Insured's** practising certificate was subject to practising conditions imposed by the Veterinary Council of New Zealand and the **Insured Veterinarian** was practising in breach of those conditions.

4.23. Other insurance

4.23.1 Any matter in respect of which the **Insured** is entitled to indemnity under any other insurance policy, indemnity or fidelity fund, except in respect of any amount beyond that which is payable or would have been payable under such other insurance policy, indemnity or fidelity fund, had this **Policy** not been in effect.

4.24. Penalties, Reparation, Fines

4.24.1 Any **Penalty** where:

a. the **Insured** has knowingly, wilfully or recklessly committed the **Event**; or

b. the **Claim** arises from the following:

i. any fine, **Penalty** or infringement fee ordered to be paid by the **Insured** under the Health and Safety at Work Act 2015;

ii. any fine, **Penalty** or infringement fee prohibited by law to be insured;

iii. any **Penalty** where the **Claim** arises from an **Administrative Hearing**.

4.24.1 **Reparation** arising from an **Administrative Hearing** or imposed by a tribunal or Court of competent jurisdiction; except a **Reparation** order imposed by the Court on the **Insured** upon conviction for an offence under the Health and Safety at Work Act 2015 which may include **Reparation** agreed by the **Insured** with **VPIS's** written consent as part of an enforceable undertaking.

4.24.3 Any order made by the Veterinary Council of New Zealand against the **Insured** that the **Insured** pay a **Penalty**, **Reparation**, fine, refund fees, pay a complainant's costs and expenses or pay the Veterinary Council of New Zealand's costs and expenses in relation to an **Administrative Hearing** pursuant to Section 51 of the Veterinarians Act 2005.

4.25. Pollution

4.25.1. Seepage, pollution or contamination however occurring.

4.25.2. Any breach of **Statute**, regulation or bylaw prohibiting or controlling emissions, effluent or pollution of any kind, except as provided under Section 1.3 (Statutory Liability) and not otherwise excluded under this **Policy**.

4.25.3. Any enforcement action or proceeding brought under or pursuant to any **Statute**, regulation or by-law, except as provided under Section 1.3 (Statutory Liability) and not otherwise excluded under this **Policy**.

4.25.4. Any direction or request to test for, monitor clean up, remove, contain, treat, detoxify, neutralise or in any way respond to the presence or effects of any seepage, pollution or contamination.

4.26. Product repair or replacement

4.26.1. The cost of recalling, withdrawing, replacing or repairing **Products.**

4.26.2. The cost of making any refund on the price paid for **Products** unless arising from a **Claim** and approved by **VPIS** in writing and in its sole discretion.

4.27. Radioactivity

4.27.1 Any atomic energy risks, being operations employing the process of nuclear fission or fusion or handling radioactive material which operations include but are not limited to:

a. the use of nuclear reactors such as atomic piles, particle accelerators or generators or similar devices; or

b. the use, handling or transportation of radioactive materials;

unless the **Insured** has complied with the requirements of the Ministry of Health Code of Practice – Veterinary Radiation or such substituted Code of Practice as it relates directly to the subject matter of the **Claim**.

4.27.2 The use, handling or transportation of any weapon of war or explosive device involving nuclear fission or fusion.

4.27.3 The exclusions in Section 4.27 shall not apply to **Claims** in respect of Section 1.4 (Employer's Liability) for occupational risks arising from radioisotopes, radium or radioactive compounds when used away from the place where such are made or produced and when to be used in the performance of **Professional Services** by the **Veterinary Practice** or in the research pursuits of the **Veterinary Practice** where the **Insured** has complied with the requirements of the Ministry of Health Code of Practice – Veterinary Radiation (or such substituted Code of Practice).

4.28. Vasectomies

4.28.1. A **Claim** for unwanted pregnancies resulting from a vasectomy other than a **Prescribed Manner Vasectomy**, except as expressly provided below.

Bovine Vasectomies

4.28.2. There is no cover for a **Claim** arising from an unwanted pregnancy where the vasectomised bull is the sire unless:

a. if the **Insured** performs fewer than 25 bovine vasectomies per **Policy Period**, the vasectomy (whether unilateral or bilateral) has been carried out as a **Prescribed Manner Vasectomy**; or

b. if the **Insured** performs 25 or more bovine vasectomies per **Policy Period**, the vasectomy (whether unilateral or bilateral) has been carried out as a **Prescribed Manner Vasectomy** with the following variations permitted:

i. the vas deferens from each testicle (or single vas deferens in the case of unilateral vasectomy) must be stored in an air tight container in 10% formalin, labelled with the owner's name, date and National Animal Identification and Tracing (NAIT) number of the vasectomised bull; and

ii. the stored vas deferens sample(s) must be held by the **Insured** for a minimum of 3 years.

4.28.3. There is no cover for unwanted bovine pregnancies if the vasectomised bull is the sire and if:

a. the vasectomised bull has no NAIT number; or if

b. the NAIT number of the vasectomised bull has not been recorded; or if

c. there has been no retention of the vas deferens sample(s); or if

d. the vas deferens sample(s) has/have not been stored correctly; or if

e. the histology report has not been held by the **Insured** for a minimum of 3 years; or if

f. in the case of a unilateral vasectomy, the non-vasectomised testicle has not been surgically removed; or if

g. the vasectomised bull has been joined with female stock within the three week period after the surgical procedure was carried out.

Ovine Vasectomies

4.28.4. There is no cover for a **Claim** arising from an unwanted pregnancy where the vasectomised ram is the sire unless:

a. the vasectomy (whether unilateral or bilateral) has been carried out as a **Prescribed Manner Vasectomy**, with the following variations permitted:

i. the vas deferens from each testicle (or single vas deferens in the case of unilateral vasectomy) must be stored in an air tight container in 10% formalin, labelled with the owner's name, date and permanent individual animal identification number/cipher of the vasectomised ram; and

ii. the stored vas deferens sample(s) must be held by the **Insured** for a minimum of 3 years.

4.28.5. There is no cover for unwanted ovine pregnancies where the vasectomised ram is the sire and if :

a. the vasectomised ram has no permanent individual animal identification number/cipher; or if

b. the permanent individual animal identification number/cipher of the vasectomised ram has not been recorded; or if

c. there has been no retention of the vas deferens sample(s); or if

d. the vas deferens sample(s) has/have not been stored correctly; or if

e. the histology report has not been held by the **Insured** for a minimum of 3 years; or if

f. in the case of a unilateral vasectomy, the non-vasectomised testicle has not been surgically removed; or if

g. the vasectomised ram has been joined with female stock within a three week period after the surgical procedure was carried out.

4.29. Vehicle

4.29.1. The ownership, maintenance, operation or use of any aircraft, watercraft, or vehicle being a land vehicle whether or not self-propelled, or a trailer or semi-trailer, including any machinery or apparatus attached thereto, whether or not designed for use principally on public roads, and any type of craft, vessel or thing made or intended to float on or in or travel through the water; except to the extent that a land vehicle is being used to transport an animal in the course of an **Insured** performing **Professional Services** for the **Veterinary Practice.**

4.30. War/Terrorism

4.30.1. Directly or indirectly occasioned by, happening through or in consequence of:

a. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any Government or public local authority; or

b. an act of terrorism including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Section 5. Claims conditions

5.1. Notification of claims

5.1.1 The **Insured** shall, as a condition precedent to the obligations of **VPIS** under this **Policy**, give written notice to **VPIS** of any **Claim** as soon as possible and shall provide to **VPIS** whatever information relating to the **Claim** that is in the **Insured's** power, possession or control.

5.2. Claims handling

5.2.1. **VPIS** has the right to defend and appoint counsel for any **Claim** brought against the **Insured** for a covered **Claim** including the right to assume full conduct of the **Claim** with sole discretion as to the manner in which the **Claim** is dealt with in the name of the **Insured**.

5.2.2. **VPIS's** contractual obligation to defend a **Claim** ends after either the **Limit of Liability** or the **Defence Costs Limit** set by the **Schedule** has been paid by **VPIS**.

5.2.3. Whenever **VPIS** appoints a lawyer to conduct the defence of a **Claim** in the name of the **Insured**, such lawyer shall be entitled to disclose to **VPIS** any information coming to their knowledge while so acting, including information that would entitle **VPIS** to decline or avoid liability to indemnify the **Insured**, and the **Insured** hereby waives all claims for legal professional privilege which it might otherwise have between itself and any lawyer retained by **VPIS** to act on the **Insured's** behalf in relation to any **Claim**. The **Insured** allows the lawyer to disclose to **VPIS** any information obtained in the course of providing legal services.

5.2.4. **VPIS** has the right to investigate any **Claim. VPIS** also has the right to settle with a third party on behalf of the **Insured** any **Claim** that **VPIS** believes is proper to so settle.

5.2.5. If the **Insured** does not wish to contest or continue legal proceedings or opposes a settlement by **VPIS** with a third party then **VPIS** may choose not to defend a **Claim**. The **Insured** shall then defend the **Claim** at their own expense and negotiate any settlement acting as a prudent uninsured. **VPIS's** liability for any settlement or judgment shall not be more than the amount for which **VPIS** would have been liable had the **Insured** not opposed **VPIS's** recommended approach together with any **Defence Costs** incurred to the date of such recommendation.

5.2.6. The **Insured** shall not make any admission, offer, settlement, promise or payment in respect of any **Claim** or incur any costs or expenses in connection with a **Claim** without the written consent of **VPIS**.

5.2.7. The **Insured** shall co-operate with **VPIS** and, upon **VPIS's** request, assist in achieving settlement, in the conduct of proceedings and in enforcing any right of contribution or indemnity against any person or organisation who may be liable to the **Insured**.

5.2.8. The **Insured** shall attend hearings and trials and shall assist in securing and giving evidence and in obtaining the attendance of witnesses in respect of any **Claim**.

5.2.9. The **Insured** shall not, except at their own cost, without the consent of **VPIS** make any payment, assume any obligation or incur any expense in respect of any **Claim**.

5.2.10. At all times the **Insured** shall act as a prudent uninsured and shall do and concur in doing all things reasonably practicable to avoid or diminish any liability for which cover is provided by this **Policy**.

5.2.11. The **Insured** agrees to publish any retraction or apology or provide any reference or other statement requested by **VPIS** as part of any resolution of a **Claim**.

5.3. Claims costs

5.3.1. In resolution of a claim by a third party against the **Insured** resulting in a **Claim,** should **VPIS** consent to the **Insured** providing any goods or services to the third party claimant then **VPIS** shall be obliged (within the **Limit of Liability**) to meet no more than the **Insured's** actual cost to the **Insured** of supplying such goods or services.

Section 6. General conditions

6.1. Administration of Dry Cow Antibiotic Therapy or Internal Teat Sealants

6.1.1. Subject to the terms, limitations, exclusions and conditions of this **Policy VPIS** shall provide cover for the administration of dry cow antibiotic therapy (DCAT) or internal teat sealants (ITS) under the terms of Section 1.1 and require payment of a standard **Excess,** only if the **Insured** provides evidence it obtained a signed and completed record of acknowledgment of DACT and ITS risk by the client in the current form published by the New Zealand Veterinary Association.

6.1.2. Should the condition in Section 6.1.1 not be met **VPIS** shall provide cover for the administration of dry cow antibiotic therapy (DCAT) or internal teat sealants (ITS) under Section 1.1 but require payment of the higher **Excess** specified in the **Schedule.**

6.2. Assignment

6.2.1. This **Policy** and any rights under or in respect of it shall not be assignable by the **Insured** without **VPIS's** prior written consent, with such consent not being unreasonably withheld.

6.3. Authority

6.3.1. The person or entity named in the **Schedule** as the **Insured** shall be responsible for and shall act on behalf of all **Insureds** for the purpose of providing disclosure of material facts to **VPIS**, giving notice of a **Claim**, settling a **Claim**, appearing on behalf of the **Insured** at a hearing in respect of any **Claim**, effecting or accepting any amendments to or cancellation of this **Policy**, for the payment of premium and the receipt of any return premiums that may become due, and for negotiating the **Run-Off Period**.

6.4. Cancellation

6.4.1. The **Insured** may cancel this **Policy** at any time giving 14 days' notice to **VPIS** in writing. **VPIS** will retain or be entitled to the premium for the period during which this **Policy** has been in force, based on **VPIS's** cancellation rate as set by it from time to time. In the event that a **Claim** has been or should have been notified within the **Policy Period** to the date of cancellation or during the **Run-Off Period** then **VPIS** is entitled to the **Full Annual Premium**.

6.4.2. **VPIS** may cancel this **Policy** at any time giving 30 days' notice in writing to the **Insured** of the date from which the cancellation is to take effect. Such notification is to be delivered personally or by email to the **Insured** at the last email address notified to **VPIS**. Proof of a delivered email is sufficient proof for notification. The **Insured** is entitled to a pro rata refund of the **Full Annual Premium** already paid. In the event that a **Claim** has been or should have been notified within the **Policy Period** to the date of cancellation or during the **Run-Off Period** then **VPIS** is entitled to the **Full Annual Premium**.

6.5. Change in Control of the Insured

6.5.1. If during the **Policy Period** a **Transaction** takes place then the cover provided under this **Policy** is amended to apply only to circumstances which occurred prior to the effective date of the **Transaction.**

6.5.2. The **Insured** shall give **VPIS** written notice of the **Transaction** as soon as practicable, but not later than 30 days after the effective date of the **Transaction.**

6.5.3. **VPIS** may offer the **Insured** cover for matters arising after the effective date of the **Transaction** at its discretion.

6.6. Condition Precedent

6.6.1. As conditions precedent to cover under this **Policy**:

a. there shall have been full compliance by the **Insured** with all the terms of this **Policy**; and

b. except as to **Defence Costs,** the **Insured's** obligation to pay a liability covered by this **Policy** has been finally determined either by judgment against the **Insured** after trial or by written settlement agreement with the claimant with the consent of **VPIS**.

6.7. Continuity

6.7.1. Notwithstanding Section 4.20 (Known Claims and circumstances) where:

a. any **Insured** first became aware of any **Claim**, or fact or circumstance that could give rise to a **Claim** after the **Retroactive Date** and prior to the commencement of the **Policy Period**; and

b. the **Insured** fails to notify **VPIS** of such **Claim** or fact or circumstance, until a date during the **Policy Period**; then

c. in the absence of fraudulent non-compliance with the duty of disclosure or fraudulent misrepresentation by the **Insured** in respect of such **Claim**, fact or circumstance; and

d. **VPIS** has continuously been the **Insured's** insurer for all insuring clauses under which the **Claim**, fact or circumstance may be covered from the **Retroactive Date** to the date of notification;

VPIS will decide at its sole discretion whether the applicable **Policy Period** will be in the terms of the existing **Policy**, or any prior policy as they were at the date when any **Insured** first became aware of the **Claim** or facts or circumstances.

6.8. Fraud or False Declaration

6.8.1. If any **Insured** shall make any misstatement, disclosure or application for indemnity under this **Policy** knowing that such application for indemnity is false or fraudulent in any way:

a. this **Policy** may be avoided by **VPIS** as allowed at law. If the **Policy** is avoided then indemnity under this **Policy** shall be forfeited as from commencement of the **Policy Period** and any amounts paid by **VPIS** to or on behalf of the **Insured** for a **Claim** in the **Policy Period** shall be repayable by the **Insured**;

b. **VPIS** may elect to cancel the **Policy** and/or decline a **Claim** if it would have the right to avoid the **Policy** at law. If **VPIS** elects to cancel the **Policy** then cover shall terminate as at the date of cancellation;

c. **VPIS** in its sole discretion may offer cover on new terms to the **Insured**.

6.8.2. In granting cover provided under this **Policy**, **VPIS** relies upon the declarations and statements which are contained in the written proposal form.

6.8.3. The proposal form for coverage shall be construed as a separate proposal form individually submitted for each **Insured**. No state of mind or knowledge possessed by an **Insured** shall be imputed to any other **Insured** for the purpose of determining entitlement to coverage.

6.9. GST

6.9.1. Where the **Insured** is liable to pay any tax under Section 5(13) of the Goods and Services Tax Act 1985 (or any statutory amendment, substitution or re-enactment of the section of that Act) in respect of any payment made by **VPIS** in the name of the **Insured** under the terms of this **Policy**, **VPIS** will pay such tax to the extent the **Insured** does not benefit from any associated GST credit adjustment.

6.9.2. All sums stated in the **Schedule** are exclusive of GST.

6.10. Law Governing

6.10.1. This **Policy** shall be governed by the law of New Zealand, whose courts shall have sole jurisdiction in any dispute arising under it.

6.11. Material Facts

6.11.1. The **Insured** shall give immediate notice in writing to **VPIS** of any change in material facts or circumstances which occur during the **Policy Period**.

6.11.2. **VPIS** shall have the right and opportunity at all reasonable times to inspect the plant, works, machinery and appliances used in the **Insured's Veterinary Practice**.

6.11.3. The **Insured** is required to keep records of all matters, particulars and information relevant to this **Policy** and on reasonable notice allow **VPIS** or its nominee to inspect and make copies of such records at no cost to **VPIS**. Such records include those relating to all actual and potential losses which are managed by the **Insured** where no **Claim** is made.

6.11.4. If the **Insured** fails to disclose material facts or misstates material facts this could result in the **Policy** being avoided by **VPIS** as allowed at law. If the **Policy** may be avoided, **VPIS** may elect to cancel the **Policy** and/or decline a **Claim**. If **VPIS** elects to cancel the **Policy** then cover shall terminate as at the date of cancellation.

6.12. No joinder

6.12.1. No person or organisation shall have any right, by reason of this **Policy**, to join **VPIS** as a party to any action against the **Insured** to determine the **Insured's** liability.

6.13. Other Insurance

6.13.1. Upon notifying **VPIS** of a **Claim** in accordance with this **Policy**, the **Insured** shall inform **VPIS** as to any other insurance or indemnity under which the **Insured** is entitled to any benefit in respect of that **Claim**. To the extent permitted by law, **VPIS** shall only be liable to pay sums otherwise due under this **Policy**, in excess of the amount payable under such other insurance or indemnity.

6.14. Subrogation

6.14.1. **VPIS** shall be subrogated to all the **Insured's** rights of recovery to the extent of any payment under this **Policy** and the **Insured** shall co-operate and execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall not do anything to prejudice these rights. Any amount recovered by **VPIS** which exceeds **VPIS's** total payment in respect of the **Claim** shall be paid to the **Insured**, less the cost to **VPIS** of the recovery and less the **Excess**.

6.15. Unenforceable Clause

6.15.1. Should any Section or part of a Section of this **Policy** be held to be invalid or unenforceable for any reason, but would have been valid if part of the wording had been modified, such Sections shall apply with such modification as may be necessary to make them valid and effective.

6.15.2. **VPIS** shall not oppose any application made pursuant to Subpart 5, Part 2 of the Contract and Commercial Law Act 2017 to enforce any Section or any part of a Section of this **Policy** which may have been held to be illegal or unenforceable.

6.16. Waiver and Changes

6.16.1. There shall be no change to, or modification of, or waiver in relation to, this **Policy** and **VPIS's** rights under this **Policy**, except where made by written endorsement to this **Policy**, and signed by an authorised representative of **VPIS.**

Section 7. Definitions

7.0 Unless otherwise provided, the following definitions shall apply to all Sections of this **Policy**.

7.1. Administrative Hearing

7.1 **Administrative Hearing** means:

a. Any complaint, action, inquiry or hearing by the Veterinary Council of New Zealand or any veterinary industry constituted committee of inquiry arising solely out of the **Insured's** performance of **Professional Services**;

b. Any complaint, action, inquiry or hearing by NZ Thoroughbred Racing or Harness Racing NZ, including stewards' inquiries, or similar conference or association against the **Insured** arising solely out of the **Insured's** performance of **Professional Services**;

c. Any complaint, action, inquiry or hearing conducted by any other veterinary industry body, provided that the complaint, action, inquiry or hearing arises solely out of the **Insured's** performance of **Professional Services**.

7.2. Bodily Injury

7.2.1 **Bodily Injury** means injury, sickness, disease or emotional distress sustained by any person, whether sustained physically or mentally, including death resulting therefrom. **Bodily Injury** does not include any outcome of intentional self-harm.

7.3. Breach of Duty

7.3.1 **Breach of Duty** means breach of a duty owed in a professional capacity under any form of civil law by the **Insured**, such breach arising out of any act, error or omission occurring or committed in the performance of **Professional Services**.

7.4. Claim

7.4.1. For the purposes of Sections 1.1 (Professional Indemnity), 1.2 (Public Liability), 1.7 (Fee waiver), 1.8 (Loss of Documents) and if applicable Sections 2.2 (Clinical Trials, Research Services or Animal Studies), 2.3 (Equine pre-purchase examination report), 2.4

(Frozen Embryo and Frozen Semen Storage, Processing and Transfer), 2.5 (Joint venture liability), 2.6 (Non-Veterinary Activity), 2.7 (Overseas work), 2.8 (Services provided by Productional Animal Technicians) and 2.9 (Conveyors) **Claim** means:

a. Any demand made by a third party upon the **Insured** for pecuniary damages however conveyed, including but not limited to any writ, statement of claim, application or other legal or arbitral process, or any written or verbal demand for compensation;

b. Any fact or circumstance which indicates to a reasonable person in the position of the **Insured** that civil proceedings seeking pecuniary damages and arising out of a **Breach of Duty** or **Occurrence** may occur.

7.4.2. For the purposes of Section 1.3 (Statutory Liability), **Claim** means:

a. Any threatened or actual investigation or inquiry or threatened or actual legal proceedings regarding an **Event** which is connected with the **Professional Services** of the **Insured** as part of the **Insured's Veterinary Practice** and which may give rise to the imposition of **Penalties** and/or the incurring of **Defence Costs**;

b. Any fact or circumstance which indicates to a reasonable person in the position of the **Insured** that an investigation, inquiry or prosecution regarding an **Event** may occur.

7.4.3. For the purposes of Section 1.4 (Employer's Liability), **Claim** means:

a. Any demand made by an **Employee** upon the **Insured** for damages for **Bodily Injury**, however conveyed, including but not limited to any writ, statement of claim, application or other legal or arbitral process, or any written or verbal demand for compensation, or any costs awarded against or incurred by the **Insured** in respect of the same or any settlement payable by the **Insured** in respect of the same;

b. Any fact or circumstance which indicates to a reasonable person in the position of the **Insured** that civil proceedings regarding an **Employee** sustaining **Bodily Injury** in New Zealand may occur.

7.4.4. For the purposes of Section 1.5 (Administrative Hearings), 1.6 (Loss of earnings) **Claim** means:

a. Any notification of an **Administrative Hearing**;

b. Any fact or circumstance which indicates to a reasonable person in the position of the **Insured** that an **Administrative Hearing** arising out of the **Insured's** performance of **Professional Services** may occur.

7.4.5. For the purposes of Section 1.9 (Exemplary damages), **Claim** means:

a. Any demand made by a third party upon the **Insured** for punitive and exemplary damages arising out of an **Occurrence** however conveyed, including but not limited to any writ, statement of claim, application or other legal or arbitral process, or any written or verbal demand for damages;

b. Any fact or circumstance which indicates to a reasonable person in the position of the **Insured** that civil proceedings seeking punitive or exemplary damages and arising out of an **Occurrence** may occur.

7.5. Clinical Trials, Research Services or Animal Studies

7.5.1 **Clinical Trials, Research Services or Animal Studies** means any work of the **Insured** that encompasses research, testing, or teaching involving the manipulation of any animal for the purpose of research, product testing, teaching or to produce biological products.

7.6. Club

7.6.1 **Club** means an incorporated society established for the purpose of providing **Professional Services** to its members. A **Club** must be a member of the New Zealand Veterinary Clubs Association.

7.7. Criminal Prosecution

7.7.1 **Criminal Prosecution** means any government action for enforcement of criminal laws, including offences, conviction for which could result in imprisonment.

7.8. Defence Costs

7.8.1 **Defence Costs** means all reasonable legal and experts' fees, costs, charges, and expenses (other than wages, salaries or fees of the **Insured***)* incurred by or on behalf of any **Insured***,* with the prior written consent of **VPIS***,* which consent shall not be unreasonably withheld, in investigating, monitoring, defending or settling any **Claim**.

7.8.2 In respect of an **Administrative Hearing**, **Defence Costs** do not include any fees, costs, charges or expenses incurred by the **Insured** in investigating or monitoring acts or omissions of any party prior to notification by a third party body that an **Administrative Hearing** has commenced.

7.8.3 **Defence Costs** are as stated in the **Schedule** and are payable by **VPIS** in addition to the **Limit of Liability**, but after payment by the **Insured** of the applicable **Excess**.

7.9. Defence Costs Limit

7.9.1. **Defence Costs Limit** means **VPIS's** maximum monetary sum payable by it for **Defence Costs** in respect of any **Claim** as stated in Section 3 and the **Schedule**.

7.10. Documents

7.10.1. **Documents** means all documents recorded on paper but does not include any digital assets, electronic data, bearer bonds, cheques, Bills of Exchange, coupons, stamps, bank or currency notes or any other form of negotiable instrument.

7.11. Frozen Embryo or Frozen Semen Processing/Storage

7.11.1. **Frozen Embryo or Frozen Semen Processing/Storage** means:

a. the **Insured** receiving one or more frozen embryos or dosage units of frozen semen into a **Storage Facility** in an acceptable condition, where a reasonable effort has been made by the **Insured** to comply with the 'Standard Operating Procedure, Stock Register and Maintenance Log for Frozen Embryo and Frozen Semen Storage and Handling' as stipulated by **VPIS**;

b. the **Insured** processing one or more frozen embryos or dosage units of frozen semen, such embryos or dosage units having been received into a **Storage Facility** in an acceptable condition, where a reasonable effort has been made by the **Insured** to comply with the 'Standard Operating Procedure, Stock Register and Maintenance Log for Frozen Embryo and Frozen Semen Storage and Handling' as stipulated by **VPIS**;

c. transportation **of** one or more frozen embryos or dosage units of frozen semen by the **Insured,** such frozen embryos or dosage units of frozen semen having been received into a **Storage Facility** in an acceptable condition, such transportation being in the direct custody of the **Insured** and being to or from a client location, in the course of the **Insured** providing **Professional Services** from the time that the frozen embryo or frozen semen leaves the **Storage Facility** until such time as the **Professional Services** are completed or the frozen embryo or frozen semen is received back into the **Storage Facility** in an acceptable condition, where a reasonable effort has been made by the **Insured** to comply with the 'Standard Operating Procedure, Stock Register and Maintenance Log for Frozen Embryo and Frozen Semen Storage and Handling' as stipulated by **VPIS**.

7.11.2. **Frozen Embryo or Frozen Semen Processing/Storage** does not include any act or omission by a party other than the **Insured**.

7.12. Frozen Embryo or Frozen Semen Transfer

7.12.1. **Frozen Embryo or Frozen Semen Transfer** means:

a. the procedure by the **Insured** of removing semen or fertilized embryos from donor animals to be frozen for insemination or implantation into recipient animals; or

b. the use by the **Insured** of thawed frozen semen or thawed frozen embryos for the insemination or implantation process where the frozen embryo or frozen semen used was received into the **Storage Facility** in an acceptable condition; and

c. where a reasonable effort has been made by the **Insured** to comply with the 'Standard Operating Procedure, Stock Register and Maintenance Log for Frozen Embryo and Frozen Semen Storage and Handling' as stipulated by **VPIS.**

7.12.2. **Frozen Embryo or Frozen Semen Transfer** does not include any act or omission by a party other than the **Insured**.

7.13. Employee

7.13.1. **Employee** means any person who is or was employed pursuant to an **Employment Agreement** by the **Insured**.

7.14. Employment Agreement

7.14.1. **Employment Agreement** means a contract of service between the **Insured** and an **Employee** which is subject to the Employment Relations Act 2000 or equivalent substituting legislation.

7.15. Equine Pre-purchase Examination Report

7.15.1. **Equine Pre-purchase Examination Report** means a fully completed report on the relevant requested procedures, and the associated examination including sedation if required, in the current format approved by the New Zealand Equine Veterinary Association being a branch of the New Zealand Veterinary Association, a duplicate of which is to be retained by the **Insured.**

7.16. Equine Veterinary Technician

7.16.1. An **Equine Veterinary Technician** means a **Technician** who provides services on horses for the **Veterinary Practice.**

7.17. Event

7.17.1. **Event** means any act or omission which results in, or may result in, an allegation of a violation of a **Statute.**

7.18. Excess

7.18.1. **Excess** means the amount specified in the **Schedule** that is payable by the **Insured** in accordance with Section 3 and is excluded from payment by **VPIS**.

7.19. Excluded Act

7.19.1. **Excluded Acts** are the legislation set out at Section 4.12 or any statutory amendment, substitution or re-enactment of that legislation.

7.20. Farm Management Decision

7.20.1. **Farm Management Decision** means a decision made by a client of the **Insured**, relying on the advice of the **Insured** and being a decision which has the potential to physically or economically affect a farm. **Farm Management Decision** does not include any financial, taxation or investment advice provided by the **Insured**.

7.21. Full Annual Premium

7.21.1. **Full Annual Premium** means the annual premium (including any adjustments) set for the end of the **Policy Period** and includes GST (if any).

7.22. Insured

7.22.1. **Insured** means:

a. any natural person, partnership, **Club**, corporation or other entity named in the **Schedule** who or which has been admitted to membership of **VPIS** under the rules of **VPIS**; and

b. any past, present or future principal, partner, director or officer of (a) above; and

c. any **Veterinarian** or **Locum** who is an **Employee** or who is otherwise engaged to perform **Professional Services** and including student nurses and student veterinarians under the direct control and supervision of the **Insured**; and

d. any present or future **Veterinarian** or **Locum** who is an **Employee** or who is otherwise engaged by the **Insured**; and

e. where Section 2.6 (Non-Veterinary Activity) is applicable, any person engaged by the **Insured** to perform a **Non-Veterinary Activity**; and

f. where Section 2.8 (Services provided by Technicians) is applicable, a **Technician** to the extent of cover provided for by Section 2.8; and

g. the estate or legal representative of any person defined in (a), (b), (c), (d), (e), or (f) above in the event of that person's death, incapacity, insolvency or bankruptcy;

being a person or entity involved in the conduct of the **Veterinary Practice** at the time of the **Breach of Duty, Occurrence, Event** or **Administrative Hearing** resulting in a **Claim**.

7.22.2. For the purposes of cover under Section 1.1 (Professional Indemnity), Section 1.2 (Public Liability) and Section 1.3 (Statutory Liability) only, **Insured** also means an **Employee** who provides **Professional Services** as defined by Section 7.34.2.

7.23. Limit of Liability

7.23.1. **Limit of Liability** means **VPIS's** maximum monetary sum payable by it in respect of any **Claim** as stated in Section 3 and in the **Schedule.**

7.23.2. The **Limit of Liability** does not include **Defence Costs**.

7.24. Locum

7.24.1. **Locum** means a **Veterinarian** temporarily engaged by an **Insured** to perform **Professional Services.**

7.25. Non-Veterinary Activity

7.25.1. **Non-Veterinary Activity** means all activities and services performed as part of the **Insured's Veterinary Practice** that are not **Professional Services**, whether or not the person performing the activity or the services does so as an **Employee** of the **Insured** or as an independent contractor engaged by the **Insured** and as stated in the **Schedule**.

7.25.2. **Non-Veterinary Activity** includes acupuncture, behavioural consultancy, chiropractic work, holistic veterinary services, hydrotherapy, physiotherapy; carried out by a **Veterinarian** who can not provide evidence of relevant training, experience, and reasonable risk management practices in respect of the service.

7.25.3. **Non-Veterinary Activity** does not include services performed by a **Technician**.

7.26. Occurrence

7.26.1. **Occurrence** means an incident, including continuous or repeated exposure to substantially the same general harmful conditions, which results in **Bodily Injury** or **Property Damage** neither expected nor intended by the **Insured**.

7.27. Overseas Work

7.27.1. **Overseas Work** means **Professional Services** conducted outside the jurisdiction and territory of New Zealand by a **Veterinarian** who holds a current Practising Certificate under the equivalent relevant overseas statute to the Veterinarians Act 2005, provided that the contractual arrangements between the **Insured** and the third party for whom the **Insured** provides **Professional Services** overseas acknowledges that all and any disputes arising from those contractual services are governed by the laws of New Zealand and further that New Zealand will be the *forum conveniens* for any hearing in the event that any dispute were to arise pursuant to the contractual arrangements.

7.28. Penalty

7.28.1. **Penalty** means any monetary fine or other monetary penalty or costs assessed for which the **Insured** may be liable on conviction for any offence under a **Statute** in connection with an **Event**. **Penalty** does not include pecuniary damages.

7.29. Policy

7.29.1. **Policy** means this policy document together with the **Schedule** including any endorsements.

7.30. Policy Period

7.30.1. **Policy Period** means the period commencing on the effective date shown in the **Schedule** and ending on the effective date of termination, expiry, or cancellation of this **Policy.**

7.31. Prescribed Manner Vasectomy

7.31.1. **Prescribed Manner Vasectomy** means that:

a. the vas deferens must be correctly identified surgically and at least a 2cm length removed; and

b. the vas deferens from each testicle (or single vas deferens in the case of unilateral vasectomy) must be stored in an air tight container in 10% formalin, labelled with the owner's name, date and the animal's National Animal Identification and Tracing (NAIT) number (if bovine) or permanent individual animal identification number/cipher (if ovine) and submitted to the laboratory for histological examination immediately after the surgical procedure; and

c. in the case of a unilateral vasectomy, the non-vasectomised testicle must be surgically removed; and

d. the vasectomised animal must not be joined with female stock within a three week period after the surgical procedure was carried out.

7.32. Product

7.32.1. **Product** means any item or its container sold, supplied, constructed, repaired, altered, renovated, collected, serviced, or installed by the **Insured**.

7.32.2. **Product** does not include embryo, semen or the means of **Frozen Embryo or Frozen Semen Processing/Storage** or **Frozen Embryo or Frozen Semen Transfer**.

7.33. Production Animal

7.33.1. A **Production Animal** is a cloven hoofed animal farmed for food (eg: meat, milk) fibre (eg: wool, cashmere) or tissue (eg: pelts, velvet production) commercially (including on a lifestyle property). A **Production Animal** does not include a horse.

7.34. Production Animal Technician

7.34.1. A **Production Animal Technician** means a **Technician** who provides services on **Production Animals** for the **Veterinary Practice**.

7.35. Professional Services

7.35.1. **Professional Services** means the following performed in the conduct of the **Veterinary Practice**:

a. veterinary services performed by any **Veterinarian** who is the **Insured** named in the **Schedule** or engaged or employed by the **Insured** to perform veterinary services on behalf of the **Insured**, when that **Veterinarian** is acting in their capacity as an **Employee** or contractor of the **Insured** or (if the **Insured** named in the **Schedule** is a natural person) is the named **Insured;**

b. veterinary services performed by a veterinary nurse engaged or employed by the **Insured** to perform veterinary services on behalf of the **Insured** and with the services performed being of a nature reasonably and usually carried out by a veterinary nurse, when that veterinary nurse is acting in their capacity as an **Employee** or contractor of the **Insured** and has been reasonably trained and supervised in the carrying out of such veterinary services by the **Insured;**

c. veterinary services performed by a student veterinary nurse or student veterinarian performing veterinary services under the direct supervision and control of the **Insured** in the **Veterinary Practice** and with the services performed being of a nature reasonably and usually carried out by a student veterinary nurse or student veterinarian;

d. does not include the following services:

i farm management/consultancy, interlact, nutritional advice for stock management, whole farm consultancy;

ii acupuncture, behavioural consultancy, chiropractic work, holistic veterinary services, hydrotherapy, physiotherapy; unless in respect of these sub-section (ii) services they are carried out by a **Veterinarian** who can provide evidence of relevant training, experience, and reasonable risk management practices in respect of the service provided, in addition to their Practicing Certificate;

iii provided by an **Employee** of the **Insured** (the **Employee** not being a **Veterinarian)** in respect of horses if not under the direct supervision of a **Veterinarian** at the time of providing the services.

7.35.2. For cover under Sections 1.1 (Professional Indemnity), 1.2 (Public Liability) and 1.3 (Statutory Liability) only, and except as excluded by Section 7.35.1.d. the meaning of **Professional Services** is extended to include services provided by an **Employee** in the conduct of the **Veterinary Practice** and carried out in accordance with their **Employment Agreement**, such **Employee** not being a **Veterinarian**, veterinarian nurse**, Technician,** student technician, student veterinarian nurse or student veterinarian and where the **Employee** has been reasonably trained and supervised in the carrying out of services by the **Insured**.

7.36. Property Damage

7.36.1. **Property Damage** means**:**

a. physical injury to or destruction of tangible property including a resulting loss of use; or

b. loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by an **Occurrence.**

7.37. Reparation

7.37.1. **Reparation** means an order imposed by a **Court** or tribunal for a sum to be paid by the **Insured** to a third party (not being the Crown) following an **Event** which has caused a victim to suffer loss of or damage to property, or emotional harm, or loss or damage consequential on any emotional or physical harm.

7.38. Retroactive Date

7.38.1. **Retroactive Date** means:

a. for insuring clauses contained in Section 1 the earlier of either the date the **Insured** first became a member of **VPIS** if the **Insured** has been insured by **VPIS** since that date with no interruption of cover, or the date so stated in the **Schedule**, provided that in no event shall the **Retroactive Date** be prior to 1982; and

b. for insuring clauses for each optional extension contained in Section 2, the date from which the **Insured** named in the **Schedule** has been insured by **VPIS** under the relevant optional extension with no interruption of cover.

7.39. Run-Off Period

7.39.1. **Run-Off Period** means the greater of a period 30 days from termination of the **Policy** (including termination arising from non-renewal) or the period stated in the **Schedule** during which a **Claim** may be made by the **Insured** by written notice to **VPIS** where the occurrence giving rise to the **Claim** arose prior to the end of the **Policy Period**.

7.40. Schedule

7.40.1. **Schedule** means the insurance schedule including any endorsements which form part of the contract of insurance between the **Insured** and **VPIS**.

7.41. Single Claim

7.41.1. A **Single Claim** means:

a. for a **Claim** in respect of an **Administrative Hearing**, an **Administrative Hearing** against one or more **Insureds** arising from continuous, repeated or related **Breaches of Duty, Occurrences, Events**, or one original source or cause and whether directed to or affecting one or more person or legal entity;

b. for a **Claim** in respect of a **Breach of Duty,** a **Breach of Duty** or any continuous, repeated or related **Breach of Duties** whether committed jointly or severally or by one or more **Insureds** and whether directed to or affecting one or more person or legal entity;

c. for a **Claim** in respect of an **Event**, an **Event** or any continuous, repeated or related **Events** whether committed jointly or severally or by one or more **Insureds** and whether directed to or affecting one or more person or legal entity. A continuous, repeated or related breach of the same **Statute** shall be considered a **Single Event;**

d. for a **Claim** in respect of an **Occurrence**, an **Occurrence** or any continuous, repeated or related **Occurrences** whether committed jointly or severally or by one or more **Insureds** and whether directed to or affecting one or more person or legal entity. All **Bodily Injury** or **Property Damage** in respect of continuous or repeated exposure to the same conditions shall be considered a **Single Occurrence**;

e. for any **Claim, Claims** arising from continuous, repeated or related acts or omissions or arising from one original source or cause.

7.42. Statute

7.42.1. **Statute** means any Act of the New Zealand Parliament in force at the beginning of the **Policy Period** or which comes into force during the **Policy Period** other than an **Excluded Act**. **Statute** also includes any amendment to or re-enactment of legislation enacted in replacement of those Acts and any Regulations or other subordinate legislation made under those Acts.

7.43. Storage Facility

7.43.1. **Storage Facility** means a site physically located within the premises of the **Insured's Veterinary Practice** or which has been obtained by the **Insured** for its use which is designed for the storage of liquid nitrogen containers used for **Frozen Embryo or Frozen Semen Processing/ Storage**.

7.44. Subsidiary

7.44.1. A company or organisation incorporated in New Zealand is a **Subsidiary** of another entity if:

a. the other entity controls the composition of the board of directors of that first entity; or

b. the other entity is in a position to exercise, or control the exercise of, more than one half of the maximum number of votes that can be exercised at a meeting of that first entity; or

c. the other entity holds more than one half of the issued shares of that first entity, other than shares that carry no right to participate beyond a specified amount in a distribution of either profits or capital; or

d. the other entity is entitled to receive more than one half of every dividend paid on shares issued by that first entity, other than shares that carry no right to participate beyond a specified amount in a distribution of either profits or capital.

7.45. Technician

7.45.1. **Technician** means a suitably qualified or experienced natural person who is:

a. not a **Veterinarian**; or

b. who holds a current Practising Certificate under Section 26 of the Veterinarians Act 2005 (New Zealand) but is not acting in the capacity of a veterinarian;

and is an **Employee** and is employed as to perform technician services as part of the **Veterinary Practice**.

7.46. Transaction

7.46.1. **Transaction** means any one of the following:

a. the **Insured** consolidates with, merges with, or sells all or substantially all of its assets to, any other person, entity or group of persons, and/or entities acting in concert; or

b. the **Insured** becomes a **Subsidiary** of another entity; or

c. the **Insured** ceases to be a member of **VPIS**.

7.47. Veterinarian

7.47.1. **Veterinarian** means

a. a person holding a current practising certificate under Section 26 of the Veterinarians Act 2005 (New Zealand) and is registered under that Act; and

b. for Section 2.7 (Overseas work), a person holding a current practising certificate under equivalent legislation to section 26 of the Veterinarians Act 2005 in the overseas jurisdiction in which they are providing services and being legally allowed by the laws of the overseas jurisdiction to provide **Professional Services** in that territory; with

c. such person acting in the capacity of a veterinarian; and

d. being a person entitled to provide **Professional Services** as or on behalf of the **Insured**.

7.48. Veterinary Practice

7.48.1. **Veterinary Practice** means the veterinary practice of the named **Insured** in the **Schedule**, which provides **Professional Services** and which conducts activities which are directly or indirectly associated with the provision of **Professional Services**, including **Non-Veterinary Activity**.

7.49. VPIS

7.49.1. **VPIS** means the Veterinary Professional Insurance Society Incorporated (376964).