



# Information Bulletin – Comcover Statement of Cover 2017-18

Issue 46 – 1 July 2017

## Comcover Statement of Cover 2017-18 – Key Changes

The *Comcover Statement of Cover 2017-18* (the Statement of Cover) takes effect from 1 July 2017 and supersedes the *Comcover Statement of Cover 2016-17*. It is important that you, as the Fund Member, carefully read the Statement of Cover and understand the changes that may affect the level and extent of your cover.

The Statement of Cover is a statement of the policy under which Comcover manages and settles claims for funding losses on behalf of Fund Members and the Commonwealth more generally.

In addition to the changes set out below, some minor changes have also included references to terms and titles e.g. the Finance Minister instead of the Minister for Finance, as well as minor formatting changes.

As always, your Relationship Manager is available to provide guidance and advice in response to any queries you may have.

Notable changes in the Statement of Cover from the Comcover Statement of Cover 2016-17 include:

### CHAPTER 1 – PREAMBLE

#### 3. Conditions of Cover

- 3(2)(b) For matters that do not have to be disclosed to Comcover, the wording 'we know or in the ordinary business course ought to know' has been replaced with 'does not materially increase or change the risk'. The new wording clarifies Comcover's expectation in relation to the types of matters to be disclosed.
- 3(3)(h) The section has been amended to add that Fund Members are to notify Comcover of any pre-existing conditions prior to deployment.
- 3(7)(d) Wording has been added to address the types of situations where an agreement cannot be reached in the settlement of a claim e.g. where agreement cannot be reached on a fair and proper allocation of loss, fees and expenses.
- 3(9) Deleted the term 'Other' from the title 'Other Insurance'. This is to reflect that Comcover is a self-managed fund that covers Fund Members and not an insurance company. This section relates to risks that Comcover covers that are also covered through a Fund Member's policy with an insurance company.

## CHAPTER 2 – STATEMENT OF COVER

### 5. Defined Terms

The definition for ‘officer’ has been amended to clarify that cover is available for both current and former officers (as defined). For example, ‘a person who is an official within the meaning of the *Public Governance, Performance and Accountability Act 2013*’ has been replaced with ‘a person who is or was an official within the meaning of the *Public Governance, Performance and Accountability Act 2013* or the *Financial Management and Accountability Act 1997*’.

In relation to the definition of ‘Fund’, the wording ‘defined losses’ has been replaced with ‘losses covered by this Statement of Cover or as shown on your Schedule of Cover’. This is to clarify that the Statement of Cover (or the Schedule of Cover, where a cover has been agreed) will respond in the event of an insurable loss.

The definition for ‘property’ has been amended as follows: addition of ‘network and information technology infrastructure including hardware, equipment and devices’ to clarify that Fund Members should be declaring the values of these assets on their Assets Schedule; addition of ‘remotely piloted aircraft, hot-air balloons, weather balloons, and atmospheric balloons’; and clarify that aircraft does not include remotely piloted aircraft, hot-air balloons, weather balloons, and atmospheric balloons.

A definition for ‘remotely piloted aircraft’ has been added. The definition has the meaning given to in the *Civil Aviation Safety Authority Regulations 1998*.

The definition for ‘traveller’ has been amended to ensure that Comcover is only covering travel for persons that are both approved and funded by the Fund Member. This includes individuals such as accompanying persons, contractors, consultants and volunteers where the Fund Member has approved and funded their travel.

For the sake of clarity, specifically defined words are highlighted in bold type throughout the document: some words have been given initial capitals to satisfy convention, but that does not affect their meaning or interpretation.

## CHAPTER 3 – LIABILITY

### 6. General Liability and Professional Indemnity

- 6(1)(b) Section amended to reflect the common use of terminology around the causes of action for unlawful arrest or false imprisonment. The term ‘humiliation’ has been removed as it is not a cause of action that gives rise, of itself, to compensation.
- 6(1)(e) Amended to explicitly state ‘injurious falsehood’ and ‘negligent misstatement’ as instances where the Fund Member may be legally liable to pay compensation.

### 7. Directors’ and Officers’ Liability

- 7(7)(a) Wording amended to avoid uncertainty over what constitutes a claim for emotional distress in the context of an employment practices claim.

#### CHAPTER 4 – PROPERTY

##### **10. Fraud**

10(1)(c) Addition of ‘committee’ as this is a common type of body. The 2016-17 Statement of Cover only referred to members of ‘a board, commission, or other body’.

#### CHAPTER 5 – MOTOR VEHICLE

##### **12. Motor Vehicle**

12(2)(d) To prevent any uncertainty, this section now explicitly states that the maximum amount covered per claim and the daily cap are both inclusive of GST.

12(2)(e) To prevent any uncertainty, this section now explicitly states that the maximum amount covered per claim and the daily cap are both inclusive of GST.

#### CHAPTER 6 – PERSONAL ACCIDENT AND TRAVEL

##### **17. Personal Effects and Travel Inside Country**

17(1) Addition of ‘committee’ as this is a common type of body. The 2016-17 Statement of Cover only referred to members of ‘a board, commission, or other body’.

Note: This is only a summary of the changes between the 2016-17 and 2017-18 Statement of Cover. This summary is not definitive and decisions relating to coverage in specific circumstances will be determined in accordance with the wording of the Statement of Cover.

If you require any further information, please contact your Relationship Manager at Comcover on 1800 651 540 (selecting option 3).