

Policy

XL Catlin

Excess Liability Insurance

LLOYD'S

Certificate Of Insurance

effected through

Catlin Australia Pty. Ltd.

ABN 64 108 319 786

(herein after called the Coverholder)

This is to certify that in accordance with authorisation granted under Contract No SC334201535 to the undersigned by certain Underwriters at Lloyd's, whose definitive numbers and the proportions underwritten by them, which will be supplied on application, can be ascertained by reference to the said Contract, and in consideration of the premium specified herein, the said Underwriters are hereby bound, severally and not jointly, each for his own part and not one for another, their Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

This certificate is Insurance Council of Australia's General Insurance Code of Practice compliant, apart from any claims adjusted outside Australia. Underwriters at Lloyd's proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the general insurance industry. Any enquiry or complaint relating to this Insurance should be referred to the Coverholder shown above in the first instance. If this does not resolve the matter or you are not satisfied with the way a complaint has been dealt with, you should write to:

Lloyd's Underwriters General Representative in Australia
Suite 2, Level 21
Angel Place
123 Pitt Street
Sydney, NSW, 2000
Telephone Number: (02) 9223 1433
Facsimile Number: (02) 9223 1466

Who will refer your dispute to Policyholder & Market Assistance at Lloyd's.

Complaints that cannot be resolved by Policyholder & Market Assistance may be referred to the Financial Ombudsman Service (UK). Further details will be provided at the appropriate stage of the complaints process.

The Underwriters hereon agree that:

- (i) In the event of a dispute arising under this Insurance, the Underwriters at the request of the Assured will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.
- (ii) Any summons notice or process to be served upon the Underwriters may be served upon:

Lloyd's Underwriting General Representative in Australia
Suite 2, Level 21 Angel Place
123 Pitt Street
Sydney NSW 2000

Who has authority to accept service and to enter an appearance on the Underwriters' behalf, and who is directed at the request of the Assured to give a written undertaking to the Assured that he will enter an appearance on the Underwriters' behalf.

- (iii) If a suit is instituted against any one of the Underwriters, all Underwriters hereon will abide by the final decision of such Court or any competent Appellate Court.

The amount of Premium specified herein is the amount due to the Underwriters and any commission allowed by them is to be regarded as remuneration of the Coverholder placing this Insurance.

In the event of a claim arising under this Insurance IMMEDIATE NOTICE should be given to:

The Claims Manager, Catlin Australia Pty Ltd, Level 28, Angel Place, 123 Pitt Street, Sydney NSW Australia 2000.

In Witness Whereof This Certificate Has Been Signed At This:



on 5 August 2015



A.E. Case
Authorised Officer
Catlin Australia Pty Ltd
Coverholder

Certificate Provisions

- 1 The Underwriters reserve their rights as set out in the Insurance Contracts Act 1984 (as amended) to avoid this insurance from inception if the Insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof.
- 2 The Underwriters may refuse to pay a Claim in case of any fraud or false swearing by the Insured touching any matter relating to this insurance or the subject thereof, whether before or after a loss.
- 3 The Underwriters may cancel this Policy for any of the reasons allowed by the Insurance Contracts Act 1984 (as amended) by giving 3 working days notice in writing of such cancellation to the Insured's last known address.
- 4 It is expressly understood and agreed by the Insured by accepting this instrument that neither Catlin Australia Pty. Ltd., nor Lloyd's General Representative in Australia is an Insurer hereunder and that neither is or shall be in any way or to any extent liable for any loss or claim whatsoever, but that the Insurers of this policy are those Underwriters, whose names appear on the Policy Schedule.
- 5 Loss, if any, to be payable in AUD currency.
- 6 This insurance is made and accepted subject to all the provisions, conditions set forth herein or endorsed hereon, or appearing on the Policy Schedule, all of which are to be considered as incorporated herein.
- 7 Any provisions or conditions appearing in any forms attached to this certificate, which conflict with or alter the certificate provisions stated above, shall supersede the provisions appearing in this certificate, in so far as the latter are inconsistent with the provisions appearing in such attached forms.
- 8 This certificate shall not be assigned either in whole or in part, without the written consent of Catlin Australia Pty. Ltd., endorsed hereon.
- 9 This certificate shall not be valid unless signed by Catlin Australia Pty. Ltd.

Catlin Australia Pty Ltd, Level 28, Angel Place, 123 Pitt Street, Sydney NSW Australia 2000.

- 10 Third Party Jurisdictions covered by the Certificate:

World-Wide

but excluding any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment, award, settlement or proceedings either in whole or in part) unless the Insured has requested that there shall be no such limitation and has accepted the terms offered by the Underwriters in granting such cover, which offer and acceptance must be signified by specific endorsement to this Certificate.

- 11 Several Liability Notice:

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

12 Premium Factors:

To arrive at this premium we have considered factors such as the cover you want, the risk you wish to insure, the limits and excesses that apply and your insurance history. The premium is net of charges so the obligation to pay any relevant compulsory government charges or levies (eg Stamp Duty, FSL, and GST) will need to be added to arrive at the total premium that the Insured will pay.

13 Complaints:

Catlin Australia Pty Ltd takes any and all complaints seriously and has established internal dispute resolution procedures to ensure all complaints are handled fairly, honestly and in a timely manner. Any problems or complaints in relation to privacy or other matters can be made in writing to:

The Complaints Officer
Catlin Australia Pty Ltd
Level 28, Angel Place
123 Pitt Street
Sydney NSW Australia 2000

14 General Insurance Code of Practice:

Catlin Australia Pty Ltd supports the General Insurance Code of Practice and its purpose of raising the standards of practice and service in the general insurance industry. A copy of the code is available at the following website <http://www.codeofpractice.com.au/>

15 Request for Information:

All information that we have requested was necessary to produce and quote this insurance contract.

16 Product Disclosure Statement:

The XL Catlin Australia Product Disclosure Statement (PDS) may be found at <http://www.catlinaustralia.com>

XL Catlin

**Excess Liability Insurance
Schedule to the Policy**

Policy No: 1220731

Proposal Date: 30 April 2015

Type: Excess Liability Insurance

Insured: Transgrid and the State Government of NSW as Principals/Owners

Contactors and/or their subcontractors which have entered or that are intending to enter into an agreement and/or contract with the insured to perform work or to supply goods &/or services in connection with the project

All other Contractors and/or sub-contractors and all further companies, organisations, entities or persons which as Principal/Owners agree to include herein to the extent of their respective rights and interests but designers, architects, engineers and other consultants are covered for their activities onsite only

Subcontractors engaged by any of the above; and/or Directors, Officers and Employees of any of the above but only in respect of the business and activities of the Insured

Any Financiers and/or Finance Companies

Any other company for which the Insured assumes management together with all other parties for whom the Insured is required under contract to provide insurance protection are also included as an Insured

Address: C:/ Willis Sydney

Business: High Voltage Transmission Authority, contractors (mainly electrical, mechanical an civil), designers, consultants, suppliers, project and construction managers, property, plant and equipment owners, operators and hirers, lessees, lessors,

occupiers and all incidental associated operations trades,
 activities where Transgrid contracts with other entities and
 any other activities incidental thereto and otherwise as
 defined in the underlying wording

Period of Insurance: From: 1 May 2015 1600
 To: 1 May 2016 1600

The Underwriters hereby give notice of cancellation at the above expiry date. This is for the purpose of review and does not signal Underwriters' intention not to renew the Policy.

Third Party Jurisdictions covered by the Policy:

World-Wide
 but excluding any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment, award, settlement or proceedings either in whole or in part) unless the Insured has requested that there shall be no such limitation and has accepted the terms offered by the Underwriters in granting such cover, which offer and acceptance must be signified by specific endorsement to this Policy.

Limits of Indemnity:

Section A

Public Liability: AUD 50,000,000 any one claim or series of claims arising from one occurrence

Section B

Products Liability: AUD 50,000,000 any one claim or series of claims arising from one occurrence but in the annual aggregate

Section C

Pollution Liability: AUD 50,000,000 any one claim or series of claims arising from one occurrence but in the annual aggregate

In excess of the Primary Policy and all Underlying Excess Policies up to the Underlying Limit of Indemnity specified in the Schedule

Defence Costs: In Addition

Provided always that in respect of claims recoverable under Scheduled Underlying Insurances where Defence Costs are inclusive within the Underlying Limit of Indemnity, Defence Costs hereunder shall automatically be inclusive within the Limits of Indemnity hereunder.

Policy: SJC2005XSGL-AUS

Underlying Limits of Indemnity:

Policy: Transgrid Primary TPL Wording

Insurer: Chartis
Policy Number: 817863
Limit: AUD 20,000,000
Policy: Excess Liability
Insurer: Numerous
Policy Number: TBA
Limit: AUD 180,000,000

Endorsements: LSW3000 Premium Payment Clause (60 Days)
NMA1854 Service of Suit Clause
Damage to Contract Works Exclusion
Aggregation of Bushfire Liability/Limits
Aggregation of EMF/EMR Liability Limits
Pure Financial Loss Exclusion
Referral of projects exceeding AUD50m in total Contract Value

Premium: As agreed plus taxes and charges as applicable

Order Hereon: 100%

Brokerage: As agreed plus taxes and charges as applicable

SJC Participation: 100%

Security: XL Catlin, Syndicate 2003 at Lloyds

Insurer: XL Catlin, Syndicate 2003 at Lloyds

Participation: 100%

Signed on Date: 5 August 2015



A. E. Case
Authorised Officer
Catlin Australia Pty Ltd
Coverholder

Policy

Excess Liability Insurance (Australia)

Form SJC2005XSGL-AUS

1 Operative Clause

In consideration of the payment of the premium stated in the Schedule the Underwriters will indemnify the Insured against their legal liability to pay damages or compensation for and/or arising out of accidental bodily injury, death, illness or disease of or to any person or loss of or damage to tangible property all as more specifically defined in and covered by the Underlying Policies in the manner and to the extent stated herein.

Provided always that no indemnity shall be given in respect of any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part) unless the Insured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover, which offer and acceptance must be signified by specific endorsement to this Policy.

2 Definitions

For the purpose of this Policy:

- 2.1 **Underlying Policies** means the Primary Policy and all Underlying Excess Policies providing indemnity in excess of the Primary Policy up to the Underlying Limit of Indemnity specified in the Schedule.
- 2.2 **Underlying Insurers** means the Primary Policy Insurer and all Underlying Excess Policies Insurers providing indemnity in excess of the Primary Policy Insurer up to the Underlying Limit of Indemnity specified in the Schedule.
- 2.3 **Terrorism** means an act, 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), committed for political, religious, ideological or similar purposes, including the intention to influence any government and/or to put the public or any section of the public in fear.

3 Cross Liabilities

- 3.1 Each person or party specified as the Insured in the Schedule is separately indemnified in respect of claims made against any of them by any other such person or party subject to the Underwriters' total liability not exceeding the stated Limits of Indemnity.

4 Limits of Indemnity

The Underwriters will indemnify the Insured either

- 4.1 Up to the Limit of Indemnity for all damages or compensation (including costs, fees and expenses) where the Underlying Policies provide for such costs, fees and expenses to be included within the Underlying Limit of Indemnity, or
- 4.2 Up to the Limit of Indemnity for all damages or compensation with costs, fees and expenses payable in addition where the Underlying Policies provide for such costs, fees and expenses to be payable in addition to the Underlying Limit of Indemnity. The liability of the Underwriters for such costs, fees and expenses shall be limited to that proportion which the amount payable under this Policy (excluding such costs, fees and expenses) bears to the total sum payable under all contributing policies excluding the said costs, fees and expenses.

Provided always that

- 4.3 Liability under this Policy shall not attach unless and until the Underlying Insurers have paid or have been held liable to pay the Underlying Limit of Indemnity and the Insured has been adjudged liable to pay a sum which exceeds the Underlying Limit of Indemnity.

- 4.4 No costs, fees and expenses shall be incurred on the Underwriter's behalf without their written consent being first obtained.
- 4.5 If the Underlying Insurers exercise a right under their policies to pay the Underlying Limit of Indemnity and are liable only for costs, fees and expenses up to the time of such payment then the Underwriters will only pay that proportion of the costs, fees and expenses for which they would have been liable had the Underlying Insurers not exercised that right.
- 4.6 In the event of the exhaustion of any aggregate Limit of Indemnity of the Underlying Policies (whether partial or total) by reason of claims paid (or which they have been held liable to pay) the Underwriters shall
- 4.6.1 In the event of partial exhaustion provide indemnity in excess of the reduced Underlying Limit of Indemnity
- 4.6.2 In the event of total exhaustion continue this Policy in force as the Underlying Policy subject to the terms and conditions of this Policy.
- 4.7 Any decision of the Underlying Insurers to accept a claim "ex-gratia" or "without prejudice" without the prior written acceptance of the Underwriters shall
- 4.7.1 Not be binding on the Underwriters, and
- 4.7.2 Not operate to erode any aggregate limit of any Underlying Policy

Nor shall any action or decision of the Underlying Insurers which prejudices the Underwriters in the conduct or settlement of any claim under this Policy be binding on the Underwriters.

5 Conditions

- 5.1 This Policy is subject to the same warranties, terms, definitions, conditions and exclusions (except as regards the premium, settlements, the limits of liability, and except as otherwise provided herein to the contrary) as the Underlying Policies prior to the happening of an accident. No amendment to the Underlying Policies during the period of this Policy shall be effective in extending the scope of this Policy without the written acceptance of the Underwriters.
- 5.2 The Insured shall give written notice to the Underwriters as soon as reasonably practicable and at the latest within 30 days of the Insured becoming aware of any occurrence, accident, happening or any claim made against the Insured which could involve an amount in excess of 50% of the Underlying Limit of Indemnity, and the Insured shall give all such information and assistance as the Underwriters may require.
- The Insured shall also advise the Underwriters at the time of any claim under this Policy of the details of all other liability insurance from which the Insured may benefit (other than any Underlying Policy specified in the Schedule) regardless of whether such claim is in the Insured's opinion recoverable from such other insurance, in order for the Underwriters to establish rights of contribution which they may have.
- 5.3 In the event of a claim arising to which the Underwriters may be liable to contribute, no costs, fees or expenses shall be incurred on their behalf without their written consent being first obtained and if they so consent they shall contribute to the said costs, fees or expenses on the basis stated in the Indemnity Limits (Clause 4). If however, a settlement of the claim be practicable prior to taking the case into court (whether by compromise or otherwise) for a sum not exceeding the Underlying Limit of Indemnity no costs, fees or expenses shall be payable by the Underwriters. No settlement of any claim by agreement shall be effected by the Insured for a sum in excess of the Underlying Limit of Indemnity with the written consent of the Underwriters.

- 5.4 The Insured shall give notice to the Underwriters of any alteration or circumstance which materially affects the risks insured under this Policy and until the Underwriters be advised of such alteration or circumstance and shall have expressly agreed in writing to accept liability for such altered risk and the Insured has paid or agreed to pay the additional premium (if any), the Underwriters shall not be liable in respect of any claims or claims due wholly or partially to any such alteration or circumstance.
- 5.5 All recoveries or payments recovered or received subsequent to payment of a claim under this Policy shall be applied as if recovered or received prior to such payment and all necessary adjustments shall then be made between the Underwriters, the Underlying Insurers and the Insured.
- 5.6 The Underlying Policies shall be maintained in full effect during the currency of this Policy except for any reduction of any aggregate Underlying Limit of Indemnity solely by payment of claims by the Underlying Insurers.
- 5.7 The insolvency, bankruptcy, receivership or any refusal or inability to pay of the Insured or the Underlying Insurers shall not operate to
- 5.7.1 Reduce or exhaust the Underlying Limit of Indemnity
- 5.7.2 Increase the Underwriter's liability under this Policy.
- 5.8 Where the premium is provisionally based on the Insured's estimates, the Insured shall keep accurate records and within 90 days of expiry of the Period of this Policy declare such particulars as the Underwriters require. The premium shall then be adjusted and any difference paid by or allowed to the Insured as the case may be, subject to any minimum premium that may apply.
- 5.9 If any claim under this Policy is in any respect fraudulent all benefit in respect of such claim shall be forfeited.
- 5.10 The Underwriters may cancel this Policy for any of the reasons allowed by the Insurance Contracts Act 1984 (as amended) by giving 3 working days notice in writing of such cancellation to the Insured's last known address, subject to any longer notice period provided for in the Premium Payment Condition, if any, contained herein.
- 5.11 This Policy and the Schedule will be interpreted in accordance with the law of Australia. The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.
- 5.12 All disputes concerning the interpretation of this Policy are understood and agreed by both the Insured and the Underwriters to be subject to Australian Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within Australia and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

6 Exclusions

Regardless of the provisions of any Underlying Policy, this Policy does not apply to

6.1 Asbestos

Any loss, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to Asbestos or materials or products containing Asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

6.2 Terrorism

Any loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This exclusion also applies to loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, injury, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This exclusion shall take precedence over any other term of the Policy, including any endorsement added at any time, which does not expressly override it.

Endorsement

Premium Payment Clause

The Insured undertakes that premium will be paid in full to Underwriters within 60 days of inception of this Policy (or, in respect of instalment premiums, when due).

If the premium due under this Policy has not been so paid to Underwriters by the 60th day from the inception of this Policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this Policy by notifying the Insured in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full Policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a claim under this Policy.

It is agreed that Underwriters shall give not less than 15 days' prior notice of cancellation to the Insured. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause, which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

11/01 LSW3000 (amended)

Endorsement

NMA1854 Service of Suit Clause

The Underwriters accepting this insurance agree that:

- (i) if a dispute arises under this insurance, this insurance will be subject to Australian law and practice and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- (ii) any summons notice or process to be served upon the Underwriters may be served upon:

*Lloyd's Underwriters' General Representative in Australia
Suite 2, Level 21
Angel Place
123 Pitt Street
Sydney NSW 2000*

who has authority to accept service and to appear on the Underwriters' behalf;

- (iii) if a suit is instituted against any of the Underwriters, all Underwriters participating in this insurance will abide by the final decision of such Court or any competent Appellate Court.

Endorsement

XL Catlin Damage to Contract Works Exclusion

It is hereby understood and agreed that this Policy excludes liability for any Property Damage to Contract Works during the Construction Period.

For the purposes of this Exclusion, Contract Works means the whole of the works whether permanent or temporary including all formwork, falsework, site buildings, scaffolding, security fencing and hoardings belonging to the Insured or in the Insured's care, custody or control for the performance of the Project scheduled within this Policy.

Subject otherwise to the terms, Conditions and Exclusions of the Policy

Endorsement

Aggregation of Bushfire Liability/Limits

It is hereby noted and agreed that Limit of Liability is aggregated to \$50,000,000 during the Period of Insurance arising for any number of Occurrences from Bushfire claims

Endorsement

Aggregation of EMF/EMR Liability Limits

It is hereby noted and agreed that Limit of Liability is aggregated to \$50,000,000 for Claims Made during the Period of Insurance arising for any number of Occurrences from EMF/EMR type claims For the purpose of this endorsement only the Retro-active Inception Date is 1 May 2010.

Endorsement

Pure Financial Loss Exclusion

It is hereby noted and agreed that this policy does not cover the Insured for any legal liability arising from a Financial Loss that was not sustained or caused by accidental injury or damage.

Endorsement

Referral of projects exceeding AUD50m in total Contract Value

It is a condition of this Policy that any Project with a contract value exceeding AUD50m will be referred to the Underwriter for consideration and acceptance prior to the commencement of works.