

CGU PROFESSIONAL INDEMNITY INSURANCE POLICY



Why choose CGU's Professional Indemnity Policy

CGU's Professional Indemnity insurance policy provides you and your business with comprehensive protection against claims for financial loss, bodily / personal injury or property damage arising from an act, error or omission in the provision of professional services covered by the policy.

If such act, error or omission causes a financial loss or injury to your client or any other third party, then they can claim damages against you, resulting in you incurring potentially debilitating costs and expenses (including legal costs and expenses) and suffering reputational damage. Potentially a significant disruption to your business.

Professional Indemnity Insurance protects you from bearing the full costs of these claims and disputes, and from the time and resources they consume.

The threat of claims and litigation is very real and can potentially bankrupt businesses, small or large. It may seem like a distant possibility, but legal action often arises from an unforeseen event to completely disrupt businesses.

Policy features that ensure extensive coverage

CGU's Professional Indemnity insurance policy includes the following key coverage features:

- Civil Liability Claims arising from the provision of Professional Services including but not limited to:
 - Breach of duty (including a fiduciary duty)
 - Breach of privacy or confidentiality
 - Defamation
 - Loss of or damage to Documents
 - Infringement of Intellectual Property
- Claim Investigation Costs (defence costs & expenses) paid in addition to the Policy Limit for Claims brought within the Australian & New Zealand legal jurisdictions
- Claim Investigation Costs cover extended to include third party claims for declaratory and/or other equitable relief
- Definition of Claim includes not only written demands but also verbal demands for compensation

- Bodily Injury & Property Damage Claims covered arising from the provision of Professional Services
- Territorial Limits of the Policy are Worldwide
- Jurisdictional Limits of the Policy are Worldwide excluding USA
- Automatic reinstatement of the Policy Limit

CGU's Professional Indemnity insurance policy includes an extensive list of automatic policy extensions:

- Advancement of claims investigation costs (i.e. defence costs)
 - Enquiries cover (\$250,000 sub-limit)
 - Continuous cover
 - Court attendance costs (\$500 per day)
 - Lost documents (\$250,000 sub-limit)
 - Compensatory civil penalties (\$250,000 sub-limit)
 - Run-off for the policyholder (up to 84 months)
 - Public relations cover (\$50,000 sub-limit)
 - Extended notification period (30 days)
 - Vicarious liability for agents or consultants
 - Principal's previous business (interim cover)
 - Prior corporate entities
 - Merged and/or newly acquired subsidiaries (interim cover)
 - Former subsidiaries run-off cover
 - Cover to spouse, estates and legal representatives
 - Joint Venture
 - Loss mitigation (\$100,000 sub-limit)
 - Fraud & dishonesty
 - Misleading or deceptive conduct
 - Breach of warranty of authority
 - Interested party
- All above sub-limits are subject to 1 reinstatement

CGU's Professional Indemnity insurance policy also includes the following optional policy extensions:

- Cyber cover extension (\$250,000 sub-limit)
- Employment practices liability cover
- Fidelity cover

New and improved features of the CGU PI policy

- **Loss Mitigation Extension**
 - A new automatic Policy Extension covering the costs and expenses to rectify or mitigate the acts, errors or omissions of the Insured in the provision of Professional Services. Cover is sub-limited to \$100,000 any one matter and \$200,000 in the aggregate
- **Interested Party Extension**
 - A new automatic Policy Extension that Covers an Interested Party for its vicarious liability arising from the provision of Professional Services by the Insured
- **Cyber Cover Optional Extension**
 - A new optional Policy Extension (Total Aggregate sub-limit is \$250,000) that provides cover for:
 - Privacy Breaches (\$200,000 sub-limit)
 - Systems damage (\$250,000 sub-limit)
 - Computer Virus Transmission and Hacking (\$200,000 sub-limit)
 - Multimedia Liability (\$200,000 sub-limit)
 - Cyber Extortion (\$250,000 sub-limit)
 - Privacy Fines and Investigations (\$250,000 sub-limit)
 - Rewards Expenses (\$25,000 sub-limit)
- Definition of Insured
 - Definition of Insured now also includes Subsidiaries that existed prior to the commencement of the Period of Insurance
- Definition of Employee
 - Definition of Employee has been clarified to also include a natural person who was or is deemed to be an employee or worker under:
 - The Superannuation Guarantee (Administration) Act 1992 (Cth)
 - Any workers compensation legislation in the relevant state or territory
 - Any other relevant legislation

whilst under the Policyholder's direction, control and supervision in the provision of Professional Service.

Who is covered by the policy?

A Professional Indemnity policy needs to be broad enough to cover the insured business for any civil liabilities arising from the provision of Professional Services provided by or on behalf of the Insured, whether in the past, present or future.

CGU's Professional Indemnity policy covers the following extensive range of people and entities:

- each person, firm or incorporated body identified in the Schedule
- any entity which is engaged in the provision of Professional Services and which is created and controlled by the Policyholder during the Period of Insurance

- anyone who becomes a Principal of the Policyholder during the Period of Insurance
- all past, present and future Employees (including volunteer workers, apprentices, trainees, work experience personnel or students)
- an Interested Party for any vicarious liability to any third party incurred by the Interested Party arising solely and directly from the provision of the Professional Services by the Insured
- vicarious liability for agents or consultants engaged by the Policyholder to provide Professional Services
- Spouses, domestic partners, estates, legal representatives or assigns of the Insured
- Joint venture liability of the Insured – own acts, errors or omissions (automatic), joint & several liability (optional)
- corporate entities through which the Policyholder previously traded
- Principal's previous business, arising from the provision on behalf of a prior practice of the same Professional Services as covered by this Policy (interim cover)
- merged and/or acquired entities while this Policy is in force (interim cover)
- any former subsidiary company of the Policyholder for Claims arising from the provision of the Professional Services

About Us

- CGU Professional Risks is one of Australia's longest and largest continuous providers of Professional Indemnity Insurance
- Currently CGU Professional Risks insures over 40,000 Australian businesses or individuals for Professional Indemnity insurance and over the past 28 years plus we have:
 - underwritten over \$1.6 billion in premiums
 - managed over 42,000 claims for our policy holders

Looking for more information?

- For further information on CGU's Professional Indemnity insurance policy, please call your local Professional Risks Underwriter or Business Relationship Manager or visit: www.cgu.com.au/professionalrisks

The description of the cover provided by this document is a summary only. The cover described is subject to specific terms, conditions and exclusions specified in the Policy and subject to underwriting terms and acceptance criteria.



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