

FINANCIAL INSTITUTIONS // PROFESSIONAL INDEMNITY //
TECHNICAL SPECIFICATIONS // AUSTRALIA

Technical Specifications: Financial Institutions PI Insurance

Liberty Offers a Unique Solution for Financial Service Providers

History has shown that economic recession leads to increased litigation against financial service providers. Liberty's Financial Institutions Professional Indemnity Insurance Policy (04-09) provides the protection and financial security your clients need in this environment of increased sensitivity.

Important: Covers itemised in this document are general subject headings, which may not describe key exclusions or qualifications. You must read the policy.

So What's Covered?

- ▶ **Defence Costs Paid in Advance** prior to final resolution of a valid claim
- ▶ **Loss of Documents** - first party cover for replacement and restoration costs
- ▶ **Defamation** including unintentional libel, slander and injurious falsehood
- ▶ **Misleading or Deceptive Conduct** under the ASIC and TPA Acts
- ▶ **Joint Ventures** cover for the insured in its capacity as a joint venture partner
- ▶ **Vicarious Liability** resulting from the actions of the insured's agents
- ▶ **Intellectual Property Rights** unintentional breaches excluding North America
- ▶ **Fraud & Dishonesty** but no cover for the guilty party or for loss of money
- ▶ **Interference with Privacy** for breach of confidentiality or privacy
- ▶ **New Subsidiaries** - automatic cover for new subsidiaries which do not exceed certain threshold requirements
- ▶ **Professional Inquiries** which have the potential to lead to a claim
- ▶ **Continuous Cover** for inadvertent failure to notify facts that give rise to a claim
- ▶ **Extended Policy Period** - 84 months run-off following change in control
- ▶ **Definition of Insured** includes directors, employees and members of compliance, investment and audit committees as well as their estates, heirs and legal representatives in the event of death or incapacity
- ▶ **Reinstatement (Optional)** - one reinstatement of the limit of liability in the event that the limit of liability and any excess policies have been exhausted
- ▶ **Loss Mitigation (Optional)** - direct costs and expenses incurred in taking action to rectify or mitigate the effects of any act, error or omission that would otherwise result in a claim covered under the policy

And What's Excluded?

- ▶ Contractual Liability & Commercial Risks unless such liability would have attached in the absence of such contract – however under our subrogation condition, the insured's rights to claim under our policy will not be prejudiced in respect of commercial agreements they enter which limit other parties' liability
- ▶ Personal Injury & Property Damage with the availability to write back by endorsement
- ▶ Fraud & Dishonesty but cover is available for innocent persons under the F&D Extension
- ▶ Prior Matters the inadvertent failure to notify facts that give rise to a claim may however be covered under the Continuous Cover Extension
- ▶ Other Exclusions Related Parties, Licensing Inquiries, Dealing in Investments, Insider Trading, Performance Guarantee, Lender's Liability, Superannuation Funds, Commission Disclosure, Management Liability and War & Nuclear.

Other Conditions & Definitions

- ▶ **Defence & Settlement** - the insured has the option of appointing their own lawyers to defend a claim (subject to Liberty's approval) or the insured may request Liberty to defend the claim
- ▶ **Allocation** - Senior Counsel clauses apply to disputes regarding decisions to defend claims and allocation between covered and uncovered matters
- ▶ **Severability of Proposal & Non-Imputation**
- ▶ **Loss** - includes damages and claimant's costs but does not include amounts uninsurable at law, fines, penalties, exemplary, aggravated, multiple or punitive damages.

Required Underwriting Information

We prefer a completed and signed Liberty proposal form which is available for download from www.libertyspecialtymarkets.com.au.

Our Capacity

\$25,000,000

Our Appetite

- | | | |
|--------------------------|---------------------------------|-----------------------------------|
| ▶ Preferred Risks | ▶ Selective Risks | ▶ Risk Ordinarily Declined |
| ▶ Banks | ▶ Stockbrokers | ▶ Risks with revenue <\$750k p.a. |
| ▶ Building Societies | ▶ Futures Brokers | ▶ Mortgage Brokers/Originators |
| ▶ Friendly Societies | ▶ Underwriting Agencies | ▶ Insurance Brokers or Agents |
| ▶ Credit Unions | ▶ Financial Planners | ▶ Finance Brokers |
| ▶ Insurance Companies | ▶ Medical Defence Organisations | |
| ▶ Corporate Advisory | ▶ Health Funds | |

Global Reach. Financial Strength. Local Authority.

Distinct, complex and constantly evolving – every business is as unique as their insurance needs.

To confidently progress in the face of risk and uncertainty requires a level of security you can only achieve through working with specialists.

Liberty Specialty Markets offers a breadth of world-class insurance and reinsurance services to brokers and insured clients. We bring value and solutions to more than 20,000 of Asia Pacific's most significant business and government organisations – helping protect what they earn, build and own.

We're part of the global Liberty Mutual Group, a Fortune 100 company that's been in business since 1912 with a Standard & Poor's 'A' (strong) rating.

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 [Meet our Professional & Financial Risks team members](#)



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