

BENCHMARK

Why buy the BENCHMARK Management Liability Policy?

BENCHMARK is designed to protect the financial wellbeing of a **Company** along with the personal wealth of its **Directors & Officers**.

Companies and their Directors & Officers face the very real threat of incurring significant financial liability as a result of their actions in the work arena.

The **BENCHMARK** product delivers a comprehensive and robust solution to the multiple exposures faced by small to medium companies in Australia through 7 Insuring Clauses and various Standard Extensions. The product also provides **Statutory Liability Coverage** as a standard inclusion.

CLAIMS EXAMPLES

- Directors sued by shareholders or creditors over allegedly misleading statements to the public as to the financial position of the company.
- Regulatory authorities investigating and prosecuting Directors over the same statements.
- Creditors and customers taking action against Directors for insolvent trading.
- Directors being sued/prosecuted for breaches by the Company of OH&S legislation.
- Directors and Officers being sued for alleged misuse of confidential or copyrighted information.
- Directors being prosecuted for breaches of the Corporations Law.
- A breach of a Directors or Officers duties under Chapter 2D of the Corporations Act resulting in fines and penalties of up to AUD\$200,000 and the requirement to pay compensation.
- Employees bring claims for wrongful termination of employment, demotion or refusal to promote.
- Company being sued by an Employee or prospective Employee for discrimination or harassment.
- Company being fined for breach of OH&S legislation.
- Fraudulent or dishonest acts committed by an Employee that result in direct financial loss to the Company such as theft by an Employee of property, securities or money.
- Retired Directors being sued for Wrongful Acts committed whilst a Director of the Company.
- Costs and expenses incurred by a Director or Officer in preparing for attending an Inquiry.

TARGET SECTOR

BENCHMARK is tailor made for **Small to Medium companies** where **Assets are AUD\$100m or less** and/or **Revenue is AUD\$200m or less**.

A broad range of industries can be considered under **BENCHMARK**.

(Companies that exceed the above thresholds can still be considered but may be better served considering LAUW's Directors and Officers Policy – **SHIELD**).

POLICY BENEFITS

The following is a **guide only**, for full particulars reference must be made to the **current** policy wording.

Insuring Clauses:

- Directors' & Officers' Liability
- Company Reimbursement
- Employment Entity Liability *
- Entity Cover *
- Fiduciary Liability *
- Fidelity *
- Errors & Omissions *

* Optional Insuring Clause underwritten & included on a case-by-case basis.

Standard Extensions:

- Outside Board Cover (automatic for Not-For-Profit entities)
- Discovery Period
- Retired Directors & Officers
- Inquiry Costs (maximum sub-limit of AUD\$2,000,000)
- Public Relations Costs (sub-limit of AUD\$500,000)
- Assets & Liberty Costs (sub-limit of AUD\$500,000)
- Advancement of Defence Costs
- Continuous Cover (for Innocent Non-Disclosure)
- Occupational Health & Safety Defence Costs (maximum sub-limit of AUD\$2,000,000)
- Pollution Defence Costs (maximum sub-limit of AUD\$2,000,000)
- Civil Fines & Penalties (maximum sub-limit of AUD\$2,000,000)

Other Standard Inclusions:

- Reinstatement of Limit of Liability for Non-Executive Directors (equal to 25% of the aggregate limit of liability or AUD\$2,000,000 – whichever is the smaller)
- Defence Costs paid in addition to the Limit of Liability under Directors & Officers Liability and Company Reimbursement Insuring Clauses (equal to 10% of the aggregate limit of liability or AUD\$1,500,000 – whichever is the smaller)
- Statutory Liability (sub-limit of AUD\$500,000)

Additional Benefits:

- Comprehensive definition of 'Director' and 'Officer'
- Comprehensive definition of 'Company'
- Cover for damages and costs awarded against the Directors or Officers
- Cover for Costs incurred in Investigations and Disciplinary proceedings

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Additional Benefits continued:

- Comprehensive cover for 'Not-for-Profit' Outside Directorships
- Cover for Subsidiaries
- Run-off cover for Subsidiaries
- Run-off cover for covered Outside Directorships
- Cover for Liabilities faced by Spouses
- Cover for Liabilities faced by Estates and Legal Representatives
- Cover for Prior Acts (Retroactive Liability Cover)
- Order of Payments Clause
- Worldwide Jurisdiction (in respect of U.S.A.) can be offered
- Preservation of Right to Indemnity Clause
- 100% Lloyd's of London Security
- Local Claims Handling & Payment Authority

London Australia Underwriting Pty Ltd

Level 35, 100 Miller Street
North Sydney, NSW 2060

t 02 8912 6400
f 02 8912 6401

DIRECT CONTACTS:

Glenn Dawson

(02) 8912 6405

glenn.dawson@lauw.com.au

Arné Booyesen

(02) 8912 6406

arne.booyesen@lauw.com.au

Matthew Titmuss

(02) 8912 6404

matthew.titmuss@lauw.com.au

For more information and to download the required proposal form please go to www.lauw.com.au