



LAUW Financial Institutions

Professional Indemnity Policy

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Why buy PI Insurance?

A Professional can be defined as anyone that gives expert advice and/or renders professional services in a similar capacity to clients.

A Professional will hold themselves out as having a special skill, which can be relied upon / utilised by a client.

The law requires that the Professional exercise the required skill to an appropriate level when providing services to a client.

In the event that a client suffers financial loss as a result of alleged negligence, error or omission they will not hesitate to pursue a claim. Resulting legal actions often have devastating consequences to the financial standing and reputation of a company.

Professional Indemnity Insurance is widely purchased for the following reasons:

- **Balance Sheet Protection**

If an award is made in favour of a claimant then the Professional will be required to pay **damages, compensation or costs** in accordance with the judgement of the civil court. Awards can be very large and coupled with the high litigation costs involved in defending the action can significantly impact a Company's balance sheet.

- **Defence Costs & Expenses**

Professionals are often drawn into actions where they strongly deny liability. The costs of defending these actions can be extremely costly to the company's financial health.

- **Reputation Protection**

Reputation is essential for a healthy, profitable trading environment. We commonly hear that "reputation is everything in business". Professional Indemnity Insurance can help protect that precious reputation by giving the Professional / Company the financial assistance in defending spurious actions that may be brought against them.

- **Client Requirements**

It is common in the Professional arena that clients require proof of adequate limits of Professional Indemnity Insurance purchased prior to engaging a Professional / Company.

- **Regulatory**

Government authorities such as ASIC may require minimum levels of Professional Indemnity Insurance to be purchased prior to granting them a licence.

London Australia Underwriting has developed a broad form **CIVIL LIABILITY** policy for Financial Institutions to meet the cost of defending claims and any damages payable.

We also have the ability to create **tailored policy solutions** for niche industry areas that require something a little different.

Claims Examples

ALLEGATIONS OF:

- **Breach of Duty.**
- **Misleading & Deceptive Conduct under the Trade Practices Act.**
- **Breach of Confidentiality.**
- **Libel or Slander.**
- **Infringement of Intellectual Property Rights.**
- **Breach of Copyright.**
- **Loss of documents that results in financial loss.**

LAU Civil Liability Policy

LAU have developed a policy that is designed to deal with various financial consequences that can arise in relation to a claim.

POLICY BENEFITS

THE FOLLOWING IS A GUIDE ONLY, FOR FULL PARTICULARS REFERENCE MUST BE MADE TO THE CURRENT POLICY WORDING.

- **Civil Liability Insuring Clause.**
- **Unintentional Infringement of Property Rights.**
- **Unintentional Libel or Slander.**
- **Dishonesty of Employees.**
- **Estates & Legal Representatives.**
- **Continuity of Cover.**
- **Extended Reporting Period.**
- **Investigation Costs & Expenses.**
- **Loss of Documents.**
- **Mitigation Costs & Expenses.**
- **Non-Imputation.**
- **Newly Acquired or Created Subsidiaries.**
- **Spouses.**

Contact

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