

# PrivateEdge

Comprehensive management liability insurance for small to medium-sized Australian businesses

New legislation continues to be enacted imposing tougher than ever restrictions and obligations on management, and employees appear increasingly more knowledgeable of their rights in the workplace, yet a majority of directors and officers may not have adequate management liability insurance in place.

PrivateEdge is designed to provide flexible and comprehensive protection and the services to cope with the downsides that occur in business, particularly in the increasingly litigious modern-day environment.

## Key Information

### Insured

- The policyholder and all subsidiaries (unless listed or US-based), superannuation schemes
- Natural person directors, officers, employees, trustees
- Employee includes part-time, seasonal and temporary workers, and independent contractors under the direction or supervision of the company

### Management Liability

- Individuals' defence costs, damages and settlements
- Employment practices liability for individuals
- Outside directorship cover
- Reinstatement limit for board directors
- Asset and liberty costs for individuals
- Individual Statutory Liability (up to \$250,000)
- Investigation cover (including OHS and pollution)
- Public relations expenses (up to \$100,000)
- Extradition costs for individuals
- Lifetime retired directors cover (12 years for trustees)
- Superannuation scheme individual fiduciary capacity

### Corporate Liability

- Pollution defence (up to \$100,000)
- OHS defence and investigation (up to \$500,000)
- Breach of contract (up to \$100,000)
- Liability for employee theft (up to \$100,000)

- Identity fraud (up to \$100,000)
- Crisis costs (up to \$50,000)
- Superannuation Scheme operation (up to \$250,000)

### Environmental Practices Liability

- Broad 'all risk' approach
- Cover extends to an executive or non-executive
- Third Party harassment/discrimination

### Crime Protection

- Any one loss limit (unless an aggregate limit is selected across all policy sections)
- Acts occurring prior to and during the policy period which are discovered during the policy period
- Extends to employees, third parties and shareholders, plus employees of outsourcing companies
- Destruction and damage of money or securities
- Care, custody and control
- Legal fees and reconstitution costs (\$50,000 for each) in excess of the limit
- Investigative specialist costs to investigate, prove and report a loss (up to \$100,000)

### Superannuation Trustee's Liability

- Trustee liability of individuals and corporate entity
- Awards by ombudsman or superannuation regulator
- Company cover for lost or stolen trustee documents
- Reimbursement of a plan under an exoneration clause

### Statutory Liability

- Fines and pecuniary penalties against individuals and the company
- Available for employment liability and superannuation trustee liability if policy sections included

### General Terms and Conditions

- Court attendance (up to \$100,000)
- Regulatory crisis response (up to \$100,000)
- Optional fixed-price discovery period for 12 or 24 months
- Emergency costs (up to 10% of the limit)
- Advancement of defence costs

### Key Exclusions

- Fraud or dishonesty (upon final adjudication)
- Pending or prior claims or litigation
- No insured v insured exclusion
- No pollution exclusion



### BusinessGuard Advisory Panel

- Confidential helpline provides access to complimentary legal advice
- The panel firms are pre-approved at competitive pre-agreed rates and are ready to act without delay
- When you select a panel firm to defend a claim, you can rest assured that there will be no gap between the firm's hourly rate and the policy cover

**Target Market:** All privately-owned companies with turnover less than \$100m (other than financial institutions).

**Limits:** Up to \$10 million is available for private companies selecting an aggregate limit across all policy sections.

**When separate limits are selected for each policy section, the maximum available limits are:**

<b>Management Liability:</b> \$10 million in the aggregate	<b>Corporate Liability:</b> \$10 million in the aggregate	<b>Employment Liability:</b> \$10 million in the aggregate	<b>Crime Protection:</b> \$5 million in the aggregate	<b>Superannuation Trustees Liability:</b> \$5 million in the aggregate	<b>Statutory Liability:</b> \$1 million in the aggregate
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### Why AIG



#### Market leader

Our worldwide perspective helps us to anticipate emerging risks, while our local presence provides access to underwriting excellence and tailored solutions suited to the Australian market.



#### Local expertise

AIG provides expert decision making, claims handling and added value consultancy services in local markets.



#### Multinational expertise

Extensive knowledge of sophisticated multinational program structures.



#### Flexibility

Our customers can negotiate alternative insurance capital, deductibles and coverage, tailoring the ideal risk management solution for their situation.

## PrivateEdge Broker Facts

<b>Separate policy sections with adjustable limits</b>	PrivateEdge is offered on a modular basis comprising different policy sections with separate and adjustable limits so you can customise your cover.
<b>Reinstatement limit for board directors</b>	All the Policyholder's board directors now have a reinstatement limit under the Management Liability section when the original limit has been exhausted.
<b>Non-rescindable policy for individuals</b>	Sleep-easy reassurance for individuals that, once the policy is incepted, cover will not be withdrawn because of errors or fraudulent non-disclosure in the policy application that may have been completed by another director.
<b>Runoff for retired persons</b>	Unlimited discovery period for managers (12 years for superannuation trustees) who have retired or resigned, except where there is a transaction.
<b>Full Investigation cover for individuals</b>	A frequent source of claims and an area of cover that is often sub-limited, but PrivateEdge provides cover for individuals up to the full policy limits.
<b>Regulatory crisis response</b>	Up to \$100,000 is available to respond to a regulatory crisis (such as a dawn raid). This is over and above specific investigations cover.
<b>Entity cover</b>	Specifically for the company: up to \$100,000 is available to defend pollution claims and up to \$500,000 is available for investigations and the defence of occupational health & safety actions (including industrial or workplace deaths).
<b>Statutory liability</b>	Insureds can select either fines and pecuniary penalties cover under the Management Liability section or a separate Statutory Liability section covering both the individuals and the company.
<b>Employment liability (including third-parties)</b>	Catch-all cover for claims concerning any individual insured (including managers, employees past and present, part-time, seasonal and temporary workers, and independent contractors when indemnified by the company). As an additional feature, cover is provided for harassment or discrimination of third parties (such as customers or suppliers).
<b>Crime cover (not just fidelity)</b>	Crime Protection has been extended beyond pure fidelity (or employee dishonesty) to now also respond to acts by employees of outsourcing companies and other third parties. Cover is also provided for money, negotiable instruments or property in the company's care, custody and control.
<b>PR costs</b>	Up to \$100,000 is available for the costs of public relations consultants as soon as an individual faces a claim, critical regulatory event or investigation to protect their professional reputation.

These are brief product descriptions only. Refer to the policy for full terms and conditions applicable. Any scenarios are given as brief examples which may give rise to claims. These descriptions should not be relied on to justify coverage in any situation.



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