

# Zurich Professional Indemnity Insurance

This Quick Reference Guide provides a snapshot of the changes in comparison to the current Zurich Professional Indemnity Insurance policy wording.

The new offering is effective 1 March 2016 for all new business and renewals attaching on or after this date.



**Note:** This information is intended as a guide only. Please review the policy wording for full details of coverage provided. Exclusions, limits and conditions apply.

Legend: ✓ = Was included ✗ = Not included

Section of Document	NEW 'Zurich Professional Indemnity Insurance'	Existing Zurich Professional Indemnity Insurance
Compliance No:	PCUS-011010-2016	PCUS-004135-2010
<b>Welcome to Zurich</b>		
About Zurich	Updated	✓
Important information	Updated	✓
Duty of Disclosure	Updated	✓
Non-disclosure or Misrepresentation	Updated	✓

The structure of this section has been updated to be consistent with our other offerings. As a result some prior headings have been deleted e.g. 'How to apply for this insurance' or 'Complaints and Disputes Resolution process' which has nil impact on the policy coverage given

## Zurich Professional Indemnity Insurance – Policy Wording

<b>1. Insuring Clause</b>	Amended to better clarify intent of the broad <i>civil liability</i> trigger clause for <i>claims for civil liability</i> arising from the <i>insured's</i> provision of the <i>professional services</i>	✓
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<b>2. Limit of Liability</b>		
Limit of Liability	Amended to better clarify intent	✓
2.1 Claim expenses – exclusive of Limit of Liability	Amended to better clarify intent, consider the prior 2.1 Claim expenses – inclusive of Limit of Liability, has been removed because of the application of the Steigrad decision	✓
<b>3. Extensions of Cover</b>		
3.1 Claim preparation costs	Doubled limit to \$50,000 in respect of all <i>claims</i>	\$25,000
3.5 Contractual liability	New extension – To provide cover in the event that the <i>insured</i> sign hold-harmless provisions within contracts	✗
3.6 Court attendance costs	Additional coverage, provides for \$500 per day up to a total of \$100,000 in the aggregate for any natural person who is an <i>insured</i> if legally compelled to attend a civil proceeding	\$250 per day for an employee or \$500 per day for principal, partner or director, \$50,000 aggregate
3.7 Dishonesty	Amended to better clarify intent	✓
3.8 Estates and legal representatives	Amended to better clarify intent	✓
3.9 Extended notification period	Amended to better clarify intent	✓
3.10 Fair Trading Act	Amended to better clarify intent	✓
3.11 First party copyright infringement	New extension – To indemnify for reasonable costs and expenses incurred in any proceedings for any injunction, damages or infringement of any copyright. The total aggregate liability under this extension shall not exceed \$100,000 during the <i>period of insurance</i>	✗
3.16 Limitation of liability contracts	New extension – We recognise that the <i>insured</i> will enter into contracts with other parties relating to the performance of the <i>professional services</i> which may waive or otherwise limit the liability of such parties. We agree that such contracts will not prejudice the <i>insured's</i> rights to indemnity under this policy	✗
3.17 Loss of documents	Amended to better clarify intent	✓
3.18 Loss mitigation and fee recovery	Amended to better clarify intent	✓
3.20 Newly created / acquired subsidiary	Extended cover that applies to conduct of the new <i>subsidiary</i> occurring within a period of 60 days from the date of the creation or acquisition of the <i>subsidiary</i>	30 days
3.22 Public relations expenses	Amended to better clarify intent and doubled limit to \$100,000 in total aggregate liability during any one <i>period of insurance</i> for all public relations expenses	\$50,000
<b>4. Optional Extension of Cover</b>		
4.1 Fidelity	Amended to clarify intent	✓

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<b>5. Definitions</b>		
5.1 Act of terrorism	Amended to clarify intent	✓
5.4 Civil liability	Amended to clarify intent	✓
5.5 Claim	Amended to clarify intent	✓
5.7 Compensation	Broadened to include damages or non-monetary or injunctive relief whether by a judgment or award	✗
5.9 Deemed employee	New to broaden the definition of <i>employee</i> to include any natural person who was or now is a contractor or consultant who has an oral or written contract with the <i>insured</i> , (including any <i>subsidiary</i> ), to perform services for and on the behalf of the <i>insured</i>	✗
5.10 Director	New to support structure of overall wording	✗
5.11 Employee	Broadened to include a <i>deemed employee</i>	✗
5.13 Incident	New to support Extension of Cover 3.22 'Public relations expenses'	✗
5.15 Inquiry costs	Amended to clarify intent	✓
5.16 Insolvency	Amended to clarify intent	✓
5.17 Insured	Amended to clarify intent and altered to include <i>policyholder</i> as a Named Insured if Section 9 – International Programs is in operation	✓
5.18 International program policies	New to support the new Section 9 – International Programs	✗
5.19 Joint venture partner	Amended to clarify intent	✓
5.22 North America	New to support the structure of the wording and clarify Exclusion 6.17 'USA / Canada exposure'	✗
5.24 Personal injury	Amended to clarify intent	✓
5.25 Policyholder	New to support the new Section 9 – International Programs	✗
5.26 Pollutant	New to support the structure of the wording and clarify Exclusion 6.13 'Radioactivity / pollution / asbestos'	✗
5.27 Professional services	Amended to clarify intent	✓
5.28 Property damage	Amended to clarify intent	✓
5.29 Proposal	New to support structure of overall wording	✗
<b>6. Exclusions</b>		
6.2 Contractual liability	Amended heading only to better clarify intent	✓
6.4 Employer's liability	Amended to better clarify intent	✓
6.11 Personal injury / property damage	Amended to better clarify intent	✓
6.13 Radioactivity / pollution / asbestos	Amended to better clarify intent with the aid of new Definition 5.26 'Pollutant'	✓
6.17 USA / Canada exposure	Amended to better clarify intent with the aid of new Definition 5.22 'North America'	✓

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<b>7. Claims Conditions</b>		
7.2 Allocation	Amended to better clarify intent	✓
7.3 Deductible	Amended to better clarify intent	✓
7.5 Handling and co-operation	Amended to better clarify intent	✓
7.6 Multiple insured, claims and claimants	Amended to better clarify intent	✓
7.9 Reporting and notice	Amended to better clarify intent	✓
7.10 Subrogation	Amended to better clarify intent	✓
7.12 Waiver of privilege	Amended to better clarify intent	✓
<b>8. General Conditions</b>		
8.4 Cancellation / termination	Amended to better clarify intent	✓
8.8 Proper law and jurisdiction	Amended to better clarify intent	✓
8.9 Sanctions regulation	Newly added – Zurich shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to you or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of yours would violate any applicable trade or economic sanctions, law or regulation	✗
<b>9. International Programs</b>		
	Newly added Section – Zurich specialise in Globally compliant programs and our Global Service Team is responsible for managing all the activities associated with New Zealand-designed international programs around the Zurich network in an effective way	Added via endorsement