

**Quick Product
Information
Guide**

PROFESSIONAL INDEMNITY

FSP PROFESSIONS



The broker's policy

Cover provided:

- Section A:** Professional Indemnity
- Section B:** Public Liability
- Section C:** Employers Liability
- Section D:** Directors & Officers Liability
- Section E:** Cyber Liability



This product is aimed at providing cover to the insured against its legal liability to pay damages and costs in respect of claims made against the insured for liability incurred in the conduct of the insured's professional Business activities as a result of a wrongful act

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FSP no. 51113

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Section A: Professional Indemnity

This is a compulsory section

SPECIFIC EXCLUSIONS (Applicable to all Sections)

- Bodily Injury and Property Damage
- Breach of Contract of Employment
- Computer Network and Data Corruption
- Computer Records
- Controlling Interest / Associated Companies
- Defamation or Breach of Confidentiality
- Disclosure of Commission
- Dishonesty
- Employers' Liability
- Failure to Account for Monies
- Financial Guarantee
- Loss of Documents
- Market Fluctuation
- Suitability of Insurers
- Territorial and Jurisdiction Limits
- Warranty or Guarantee

SPECIFIC AUTOMATIC EXTENSIONS (Included in the limit of indemnity unless otherwise indicated)

- Breach of Confidentiality
- Breach of Copyright
- Claims Preparation Costs
- Computer Crime
- Criminal and Statutory Defence Costs relative to the insureds occupation
- Defamation
- Liability following Loss of Documents
- One Automatic Reinstatement of Limit of Indemnity
- Sub-Contracted Duties
- Support staff

Breach of Professional Duty

Refers to any actual or alleged negligent

- ▶ Act
- ▶ Error
- ▶ Omission
- ▶ Misstatements
- ▶ Misleading statements
- ▶ Infringement
- ▶ Defamation
- ▶ Breach of duty
- ▶ Breach of confidentiality

where the insured becomes legally liable to pay

Professional Services

Business activities or professional services conducted in the scope and course of the business as registered under the appropriate and relevant acts or regulations of the Republic of South Africa

Sub-Contracted Duties

In the event of the Insured sub-letting any part of the professional activities and duties necessary to carry out the Business/Profession, the Insured will continue to be indemnified

Provided always that:

- a) such activities and duties shall only be sub-let to suitably qualified firms, persons or parties;
- b) the Insured shall have taken reasonable steps prior to and during the continuance of such sub-letting to ensure that such firms, persons or parties have effected and will maintain adequate Professional Indemnity Insurance
- c) the Insured shall at all times retain all rights of recourse against such firms, persons or parties and will give all reasonable assistance to the Insurers in effecting such rights.

SPECIFIC ADDITIONAL EXCEPTIONS (If stated in the schedule to be included)

- Fee Recovery
- Fidelity Guarantee
- Fines and Penalties
- Joint Venture and / or Consortium Agreements
- Liability following Employee Misappropriation
- Mergers or Acquisitions
- Second Reinstatement of Limit of Indemnity

Section B: Public Liability

If stated in the schedule to be included

SPECIFIC EXCLUSIONS (Applicable to all Sections, unless specifically included)

- Aircraft
- Claims Conditions Precedent to Liability
- Competition Act 89 of 1998
- Contract of Employment
- Contractual agreement
- Damage to property
- First amount payable
- Goods or products sold and or supplied
- Mechanically propelled vehicles and watercraft
- North America
- Pollution
- Prevention of a claim
- Professional nature
- Punitive measures
- Structures and buildings

SPECIFIC AUTOMATIC EXTENSIONS (Included in the limit of indemnity unless otherwise indicated)

- Statutory Defence Cost
- Wrongful Arrest

SPECIFIC CONDITIONS

- Cancellation of policy
- Claim notification
- Claims series clause

SPECIFIC OPTIONAL EXTENSIONS

- Products liability and defective workmanship

NOTE:

Custody and or control:

Damage to property belonging to or in the custody or control of the insured is excluded from cover.

Part being worked upon:

Damage to a part of any property on which the insured is or has been working is excluded from cover

Statutory Defence Cost:

This cover is included and will indemnify the insured in respect of legal costs, fees and expenses in the defence of any criminal action as covered by this automatic extension

Section C: Employers Liability

If stated in the schedule to be included

Damages which the Insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the Insured, which occurred in the course of and in connection with such person's employment by the Insured

THIS SECTION DOES NOT COVER:

- liability assumed by the Insured under any contract, undertaking or agreement
- liability for disease or impairment attributable to a gradually operating cause
- fines, penalties, punitive, exemplary or vindictive damages
- damages in respect of judgements delivered outside the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
- costs and expenses not incurred in and recoverable in the territorial limits
- any claim arising from an event known to the Insured not reported to the Company or prior to inception of cover

Employee

means any person currently (or who at the time of the Circumstance was) employed under a contract of service with the Insured including partners, executive and nonexecutive directors, consultants, and temporary employees employed by the Insured.

Section D: Directors & Officers Liability



If stated in the schedule to be included

INSURING AGREEMENTS

- A** Directors & Officers Liability - the Insured Persons against Loss arising out of any Claim or Claims made against them
- B** Company reimbursement - the Company against Costs and Expenses paid by the Company arising out of any Claim or Claims as described in Insuring Agreement A

SPECIFIC EXCEPTIONS

This insurance cover will not apply to any Claims made against an Insured for:

- Asbestos and Toxic Mould
- Bodily Injury and Property Damage
- Claims and Circumstances known at inception
- Commissions
- Failing to perform professional duties
- Instigation
- Insider trading
- Insolvency
- Money Laundering
- Nuclear Risks, War/Terrorist Risks
- Pension fund involvement
- Failure to procure insurances
- Pollutants
- Public Finance Management Act
- Retroactive Date
- Secret profit
- Territorial and Jurisdiction Limits
- Wilful misconduct

ADDITIONAL SPECIFIC EXTENSIONS OF COVER AUTOMATICALLY INCLUDED

- Advance reasonable Costs and Expenses
- Public relations consultants
- Retrospective approval

SPECIFIC CONDITIONS

- Claims first made in writing against the Insured
- Series of claims from one originating clause
- Manifestation clause
- Change in Control Transaction
- Shareholding changes

NOT COVERED

Bodily Injury and Property Damage

- a) For any bodily injury, mental anguish or emotional distress, sickness, disease or death, or any other mental, emotional or physical injury of any person, or
- b) for any loss of or damage to or destruction of any tangible property unless such Claim, loss, liability or expense arises from negligent advice, or
- c) for defamation of character or violation of a person's right of privacy

Wilful misconduct

brought about or contributed to by dishonesty, fraud, the wilful violation of any statute or regulation or malicious conduct of any Insured Persons provided that:

- a) this exclusion shall not relieve the Insurers of liability to provide indemnity in respect of any Costs and Expenses reasonably incurred in successfully defending proceedings in respect of any allegation of such Wrongful Act;
- b) the dishonesty or fraud of any Insured Persons shall not be imputed to the Company or any other Insured Persons;
- c) Insurers will indemnify the Insured Persons where the final judgement or other final adjudication of the court hearings or proceedings against the Insured Persons determines their legal liability in respect of a Wrongful Act on some cause of action which is not dependent on the existence of a dishonest, fraudulent or malicious purpose or intent and makes no finding of their dishonesty, fraud or malicious conduct in relation to the Wrongful Act in question.



Section E: Cyber Liability

If stated in the schedule to be included

CYBER RISK EVENT

This section covers legal liability to pay Damages and Costs in respect of claims made against the Insured following:

1. Security and Privacy Liability
2. Privacy Regulatory Defence and Penalties

SPECIFIC CONDITIONS OF COVER

Cover provided under this Section will be subject to the following:

- Any claim first made in writing against the Insured as a result of a reported event will be treated as if reported on the day the event was first reported to the Company
- Cancellation/non-renewal of policy - event may be reported for up to 30 days
- Series of claims made against the Insured from one original cause will be treated as if all had first been made against the insured on the date the event was first reported
- If the Insured was not aware of any event a claim will be dated on the day that the first claim of the series was made against the insured

SPECIFIC EXCLUSIONS OF COVER

- Bodily Injury and Property Damage
- Claims and Circumstances known at inception
- Claims Conditions Precedent to Liability
- Contractual agreement
- Criminal actions of the Insured
- Insured's own costs

WHAT IS A COMPUTER NETWORK?

A group of two or more computers or electronic devices linked together including their servers and programs and data stored.

This would include data stored "in the cloud"

WHAT IS DATA?

Data is information processed or stored by a computer for example text documents, images, audio clips, software programs.

Data is therefore not limited to digital media as it could include printed text media as well.

OPERATIVE CLAUSE INCLUSION:

DEFENCE COSTS

(Included in the main limit of indemnity)

all costs inclusive, reasonable fees and expenses incurred by or on behalf of the Insured with the prior written consent of the Insurer in the investigation, defence, adjustment, settlement or appeal of any Claim including any inquests. Defence Costs will not include any internal or overhead expenses of any Insured or the cost of any Insured's professional time



DISCLAIMER

All product information contained in this document is only for information purposes and the relevant product policy wording and policy schedule shall at all times material supersede this document. This document can never be construed as the basis of any contract of insurance or binding on any party.