



# SureDirection Management Liability Policy Wording

## Information for Brokers and Clients

### Liability Cover for SME and Not For Profit clients

360 Commercial is a dedicated, specialist Underwriting agency, providing comprehensive products for companies requiring protection for their business, management and professional activities.

Central to 360 Underwriting Solutions' purpose is providing our clients with insurance solutions they want and service they expect. At 360 Commercial, we strive to exceed that purpose by offering a broad, customer-centric product suite for our SME customers and an experienced team of underwriters.

This summary provides insurance brokers and their clients with general information about liability insurance together with details of the features and benefits of 360 Commercial SureDirection Management Liability Policy Wording.

# Product Summary

This summary relates to the SureDirection Management Liability Policy Wording and is issued by 360 Commercial. It provides you with a factual summary of the key features and exclusions of the SureDirection Management Liability Policy Wording and does not take into account your personal circumstances, objectives, financial situation or needs. You should read the SureDirection Management Liability Policy Wording, which sets out the full insuring clauses, definitions, schedule, extensions, terms, conditions, exclusions and limits of liability. Before making any decisions about this insurance policy, please contact your financial adviser to obtain financial advice as required.

The Insurer's rating is reviewed annually and may change from time to time, so please refer to the Insurer's website for the latest financial strength rating.

360 Commercial Limited is appointed by the Insurer to administer this insurance.

## Fair Insurance Code

The Insurer is a member of the Insurance Council of New Zealand (ICNZ) and a signatory to ICNZ's Fair Insurance Code (the Code). The Code and information about the Code is available at [www.icnz.org.nz](http://www.icnz.org.nz) and on request.



## Insurer

SureDirection Management Liability Policy Wording is backed by AIG New Zealand Limited (the Insurer).

## Financial Strength Rating

At the time of print, the Insurer has an "A" insurer financial strength rating given by S&P Global Ratings.

The rating scale is:

<b>AAA</b> Extremely Strong	<b>AA</b> Very Strong	<b>A</b> Strong
<b>BBB</b> Good	<b>BB</b> Marginal	<b>B</b> Weak
<b>CCC</b> Very Weak	<b>CC</b> Extremely Weak	
<b>SD or D</b> Selective Default or Default	<b>R</b> Regulatory Action	<b>NR</b> Not Rated

The rating from 'AAA' to 'CC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standings within the major rating categories. A full description of the rating scale is available on the S & P Global Ratings [www.spglobal.com](http://www.spglobal.com).

## Contact Us

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Policy wordings, proposal forms and all other product information may be found on our website.

When requesting quotations or providing submissions, full and accurate disclosure is required of information such as occupation (and previous occupations), any hazardous activities, and any regulatory requirements, to ensure that the risk is assessed correctly.

# Policy Coverage Summary

A summary of coverage provided in the various sections of our SureDirection Management Liability Policy Wording is provided for illustrative purposes only. In the event of any conflict between the descriptions of coverage in this document and the policy of insurance, the provisions contained in the policy of insurance will govern.

## General Liability

Our policy provides broad liability protection to the insured for third party property damage or loss of use of property as a result of property damage, and/or personal injury.

Products Liability covers personal injury or property damage arising from the insured's products while in the possession of others.

### What is not covered

- + Ownership and use of aircraft, hovercraft, and watercraft where the watercraft exceeds 8 metres in length.
- + Legal liability for personal injury or property damage directly or indirectly caused by building defects or mould, or from cyber claims.
- + Any liability where that liability only exists due to a contract the insured has entered in to.
- + The costs to rectify faulty workmanship (but not for personal injury or property damage resulting from the faulty workmanship. This coverage can be purchased on request with a sub-limit up to \$250,000.
- + Damage to the insureds products where that damage arises from that product (product defect).

## Statutory Liability

Our policy provides coverage for unintentional breaches of Government Acts, excluding:

1. Any of the following Statutes: *Arms Act 1983; Aviation Crimes Act 1972; Crimes Act 1961; Land Transfer Act 2017; Land Transport Act 1988; Proceeds of Crime Act 1991; Summary Offences Act 1981; Transport Act 1962; Transport (Vehicle and Driver Registration and Licensing) Act 1986;*
2. Any violation of any law or regulation with respect to vehicular, air or marine traffic;
3. Any violation of any law or regulation with respect to tax, rate, duty, levy, charge, fee or any other revenue charge or impost; or
4. Any violation of any law or regulation with respect to any anti-trust, business competition, unfair trade practices or tortious interference in another's business or contractual relationships.

Defence Costs, compensatory damages, and penalties awarded in a judgement or by negotiated settlement are also included.

### What is not covered

- + Where it is illegal for the Insurer to indemnify the insured, such as a fine under the *Health and Safety at Work Act 2015*.
- + Arising out of any civil claim or proceeding, however this does not apply to private prosecutions under the *Health and Safety at Work Act 2015*.
- + Coverage is limited to New Zealand territory and excludes judgements made by a court outside New Zealand.

# Policy Coverage Summary

## Employers Liability

Our policy provides protection in the event of a claim by an employee for compensation for a work related injury which is not covered by ACC.

Cover includes associated legal costs to defend any claim against the insured arising from personal injury to an employee.

### What is not covered

- + Coverage excludes any allegation which was known or should have been known before the start of the policy period.
- + Coverage excludes any personal injury outside New Zealand, or any judgement by a court outside New Zealand.
- + Coverage excludes any personal injury arising out of termination of employment or unlawful discrimination (these may be covered under an Employment Disputes policy).

## Reserved Costs and Expenses

In the event a claim arises that exceeds the policy limit, invoking a charge over the policy in favour of the claimant, defence costs are advanced via the separate Reserved Costs and Expenses section of the policy ensuring that an insured does not have to fund their own defence.

## Management and Entity Liability

Governors, Executives, Employees and the insured Entity are protected against claims alleging a wrongful act, error or omission in the governance of the business or trust.

Typically this type of claim is both complex and costly. To meet these costs the policy provides for advancement of defence costs thus protecting the Entity's cash flow.

In many cases an insured Entity has in its rules, constitution or trust deed, a clause indemnifying its Executive members against costs they may personally incur. If the insured Entity has indemnified the Executive as a result of such a claim the policy may step in to reimburse the insured Entity.

Also covered is the cost of hiring a public relations consultant to minimise the impact of a claim on the organisation.

### What is not covered

Loss arising from:

- + Bodily injury and property damage related claims.
- + Dishonesty, fraudulent acts and intentional breaches of law.
- + Pending or prior litigation.
- + Personal profit or advantage gained by an Insured to which such Insured was not legally entitled.
- + Trading debts incurred by the business.

## Employment Practices Liability

Our policy responds to alleged employment disputes and personal grievances arising from wrongful acts in connection with the employment or termination of an employee.

These increasingly common claims come in many forms and include:

- + Allegations of harassment.
- + Discrimination.
- + Personal grievance due to constructive or unjustified termination.

### What is not covered

Loss arising from:

- + Claims made against any Insured in relation to any circumstance if written notice of such circumstance has been given under any policy of which this policy is a renewal or replacement.
- + Claims made against any Insured in relation to violation of responsibilities, obligations or duties owed by fiduciaries, trustees or administrators charged with duties with respect to any superannuation, pension or any other employee benefit plan or trust.
- + Claims made against any Insured in relation to bodily injury, sickness, disease or death, or damage to or destruction of any tangible property.
- + Claims made against any Insured as a result of deliberately fraudulent acts or omissions.

## Crime Protection

Crime cover assists in protecting or restoring your financial position should your business or organisation suffer a financial loss as a result of dishonest or fraudulent acts committed against you.

Unlike traditional Fidelity Guarantee cover, our Crime policy extends to include financial and property loss resulting from theft and fraudulent acts committed by third parties as well as employees. Loss is also extended to include not just money, but also physical property. A criminal prosecution is not necessary for a claim to be lodged.

### What is not covered

- + Loss of confidential information, income, cryptocurrency and consequential loss.
- + Loss resulting from trading or due to fire.
- + Fees, costs or expenses incurred in prosecuting or defending legal proceedings.

# Policy Coverage Summary

## Cyber

Today, many organisations are dependent on their data. Our policy covers the cost to get the entity back up and running from a cyber attack, including hacker attack or extortion. Costs covered generally include forensic IT specialists/third party consultants to manage an event and legal.

Our Cyber section also provides protection from liabilities associated with data protection laws and the consequences of losing corporate or personal information.

### What is not covered

- + Claims alleging breach in Professional Services.
- + Destruction of tangible property.
- + Confiscation by a government or local authority.

## Professional Liability for Not for Profits

Professional Liability cover will respond in the event an insured Not for Profit organisation faces legal action for a failure in providing advice or services, to a client or customer.

Under insuring section Professional Liability for Not for Profits, professional services means:

the following professional services provided by the Entity:

1. Advocacy and promotion of the Entity's objectives and area of focus or interest, including publication or information in any media type;
2. Registration, training and accreditation of members;
3. Publication of professional or technical standards;
4. Acting as an insurance intermediary for the purpose of distributing personal lines, general and/ or life insurance to members;
5. Events for members and others that promote the Entity's area of focus or interest; or
6. Fund raising activities.

### What is not covered

- + Any loss consisting of or which is due to committing or condoning dishonest or fraudulent acts.
- + Loss resulting from claims related to bodily injury or property damage, or directors' and officers' liability.
- + Prior Matters – claims or circumstance which are known to or ought to have known prior to commencement of the policy.

## Professional Indemnity

This policy is designed to respond in the event an insured faces legal action for a failure in providing advice or services to a client or customer.

Professional Indemnity cover allows everyone in the organisation to do their jobs, confident in the knowledge that they will be supported in the event of an error or omission.

The policy covers Executives, Trustees and Employees for:

- + Actual or alleged breaches of duty.
- + Acts, errors or omissions.
- + Misstatement.
- + Misleading or deceptive conduct.
- + Infringement.
- + Libel or slander committed unintentionally
- + Breach of confidentiality.
- + Omission in the performance or failure to perform professional services.

### What is not covered

- + Any loss consisting of or which is due to committing or condoning dishonest or fraudulent acts.
- + Loss resulting from claims related to bodily injury or property damage or insured under another section of this policy.
- + Prior Matters – claims or circumstance which are known to or ought to have known prior to commencement of the policy.



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