



## MIND THE GAP ASSOCIATION LIABILITY

The following document is intended as a guide to understanding DUAL New Zealand Association Liability Policy Wording 08.18, what changes have been made to it and how the changes affect the cover provided.

The 11.12 Wording was a combined Policy Wording with all sections included. The 08.18 upgrade provides the policy wording plus a separate General Terms and Conditions Wording, so the product is truly modular.

Mind the Gap Association Liability	V11.12	V08.18	Comments
<b>Language / General</b>			
Defined Terms	Defined Terms identified by CAPITAL LETTERS	Defined terms identified by <b>bold letters</b>	
Sub-limits or %	Mentioned in Wording	Any reference to sub-limits removed from Wording and now specified in the Schedule.	
<b>Insuring Clause</b>			
Professional Indemnity	Insuring Clause 2.2 (a) Civil liability Insuring Clause Civil liability not defined	Insuring Clause 1.2 (a) Civil liability Insuring Clause Civil liability is a defined term	Clarification Broad civil liability cover and Civil liability is defined to mean a legally enforceable obligation to a third party.
Defence Costs	Not in addition to the indemnity limit	Offered in addition to the limit, in an amount equal to the indemnity limit.	Coverage enhancement
Crime	Insuring Clause 2.2 (f) Sub-limited to \$100K	Insuring Clause 1.2 (b) Sub-limited to \$250K	Coverage enhancement
Employment Practices	Insuring Clause 2.2 (d) Sub-limited to \$250K	Insuring Clause 1.2 (e) Full Policy Limit Available	Coverage enhancement
Tax Audit Investigation	Insuring Clause 2.2 (g) Sub-limited to \$100K	Insuring Clause 1.2(g) Sub-limited to \$250K	Coverage enhancement
Defence Costs	Not in addition to the indemnity limit		Coverage enhancement

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<b>Automatic Coverage Clause</b>			
Contractual Penalties	Not included	Automatic Coverage Clause 2.4 Sub-limited to \$250K	Coverage enhancement DUAL agrees to pay on behalf of the insured any penalty for which the insured is liable under a written contract resulting directly from direct financial loss covered by this policy.
Crime Investigation Fees	Not included	Automatic Coverage Clause 2.5 Sub-limited to \$100K and payable in addition to the Crime Sub-limit.	Coverage enhancement DUAL agrees to pay for the reasonable and necessary fees, costs and expenses of the fraud investigator provided the direct financial loss is ultimately determined to be covered under this policy.
Crisis Containment	Automatic Extension 4.14 Sub-limited to \$100K	Automatic Coverage Clause 2.6 Sub-limited to \$250K	Coverage Enhancement
Loss of Data	Automatic Extension 3.4 Loss of Documents Sub-limited to \$250K	Automatic Coverage Clause 2.19 This clause has been renamed Lost Data Full Policy Limit available	Coverage Enhancement
Discovery Period	Automatic Extension 4.4 a. 30 days, granted automatically with no additional premium payable; or b. 12 months for 50% of the annual premium c. 72 months, if a TRANSACTION takes place and the INSURED requests such period in writing within 30 days following the end of the INSURANCE PERIOD, on such terms and conditions, if any, and for such additional premium as WE may reasonably decide.	Automatic Coverage Clause 2.8 i. 30 days for nil EP ii. 12 month discovery period for 100% of the annual premium iii. 84 months available, subject to underwriting criteria and additional premium.	Coverage Enhancement 84 months available Clarification that for 12 month discovery period, the applicable premium is 100% of the annual premium.

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<b>Automatic Coverage Clause</b>			
Employees Plans	Not included	Automatic Coverage Clause 2.11	Coverage Enhancement DUAL will pay on behalf of the association direct financial loss covered by this policy which is sustained by an employee plan. Employee plan means any plan, foundation or body established and maintained by the insured to provide benefits.
Emergency Defence Costs	Automatic Extension 4.15 10% of the indemnity limit available	Automatic Coverage Clause 2.10 Full Policy Limit Available	Coverage Enhancement Full Policy Limit
Extortion	Not included	Automatic Coverage Clause 2.12 Full Policy Limit Available	Coverage Enhancement We agree to pay to or on behalf of the insured direct financial loss covered by this policy caused by money or securities being paid or surrendered by an associated person from the premises as the direct result of extortion.
Interest Receivable or Payable	Not included	Automatic Coverage Clause 2.17 Full Policy Limit Available	Coverage enhancement DUAL will pay to or on behalf of the association any interest actually lost or paid by the association directly in respect of direct financial loss covered by this policy
Internet Liability	Not included	Automatic Coverage Clause 2.18 Sub-limited to \$250K	Coverage enhancement DUAL will provide cover in respect of any claim for an internet error committed or alleged to have been committed by the insured via its internet site, use of the internet, electronic mail or any electronic network.
Occupational Health & Safety	Automatic Extension 4.9 Sub-limited to \$1,000,000	Automatic Coverage Clause 2.21 Full Policy Limit Available	Coverage Enhancement

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Official Investigations and Inquiries Cover for You	Automatic Extension 4.3 (a) Sub-limited to \$500K	Automatic Coverage Clause 2.22 (a) Full Policy Limit Available	Coverage Enhancement
Official Investigations and Inquiries Cover for the Association	Automatic Extension 4.3 (b) Sub-limited to \$250K	Automatic Coverage Clause 2.22 (b) Full Policy Limit	Coverage Enhancement
Pollution Defence Costs	Exclusion Clause 7.5 (i) Sub-limited to \$250K	Automatic Coverage Clause 2.27 Full Policy Limit	Coverage Enhancement
Panel Counsel	Not included	Automatic Coverage Clause 2.25	Coverage enhancement 1 hour free legal advice from a panel firm regarding a covered claim or circumstance accepted by the policy.
Physical Loss or Destruction of or Damage to Money or Securities	Not included	Automatic Coverage Clause 2.26 Full Policy Limit Available	Coverage enhancement DUAL agrees to reimburse the association for any physical loss or destruction of or damage to money or securities during the indemnity period caused by a dishonest act
Public Relations Cover	Automatic Extension 4.10 Sub-limited to \$100K	Automatic Coverage Clause 2.28 Full Policy Limit Available	Coverage Enhancement
Software Reconstitution Costs	Not included	Automatic Coverage Clause Sub-limited to \$500,000 or 10% of the Indemnity Limit whichever is the lesser	Coverage enhancement DUAL agrees to pay on behalf of the association any reasonable and necessary costs incurred, with our prior consent, for re-writing or correcting or amending the association's software programmes which have been damaged or modified in consequence of a dishonest act covered by this policy.

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<b>Definitions</b>			
Professional Business/ Business	<p>Definition 6.37 means the Professional Activity set out in the Schedule and shall include the following:</p> <ul style="list-style-type: none"> <li>a. advocacy and promotion of the ASSOCIATION'S objectives and area of focus or interest, including publication of information in any media type;</li> <li>b. acting as an insurance intermediary for the purpose of distribution only of personal lines, general and life insurance products to members;</li> <li>c. events for members and others that promote the ASSOCIATION'S objectives and area of focus or interest; and</li> <li>d. fundraising activities for the benefit of the ASSOCIATION and its members.</li> </ul>	<p>Definition 5.7 Business means the business of the association specified in the schedule.</p>	Coverage enhancement

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<b>Exclusions</b>			
Excluded Activities	Not included	<p>Exclusion 3.4</p> <p>Any claim or investigation arising from or directly or indirectly attributable to or in consequence of:</p> <ul style="list-style-type: none"> <li>a. finance and/or mortgage broking; or</li> <li>b. provision of legal advice or legal services; or</li> <li>c. corporate advisory services, including but not limited to advice or consulting in connection with mergers and acquisitions of entities or businesses or parts thereof; or</li> <li>d. stockbroking, financial planning, insurance-related or funds management activities; or</li> <li>e. actual or alleged advice in relation to finance, accounting or tax matters; or</li> <li>f. provision of medical advice or medical services;</li> <li>g. any valuation of property or premises made by or on behalf of the insured; or</li> <li>h. any errors in an estimate of probable construction cost or cost estimate; or</li> <li>i. any construction, assembly, installation, erection or maintenance undertaken by or on behalf of the insured; or</li> <li>j. any breach of any express or implied warranty arising out of the development of any property; or</li> <li>k. any loss or damage which would normally be the responsibility of a contractor; or</li> </ul>	Clarification

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<b>Exclusions</b>			
Excluded Activities (continued)	Not included	<p>l. any loss of or damage to, including loss of use of or value in, any goods in the care, custody or control of the insured; or</p> <p>m. any act, error or omission in the conduct of any activity not part of the insured's business.</p>	Clarification
<b>General Conditions and Exclusions</b>			
Molestation Exclusion	Not included	Included	
Misuse of Drugs Exclusion	Not included	Included	Clarification that DUAL will not cover the use, manufacture or distribution of methamphetamine or any other substance prohibited by the Misuse of Drugs Act 1975 or any amending or replacement legislation.
Sanctions Limitation and Exclusion	Applied by endorsement	Exclusion 6.14	Standard market exclusion
Cancellation Clause	Included	General Condition 6.18	Clarification that the Insured may cancel the policy at any time with immediate effect. Provided that there have been no claims or notifications made on or under the policy, DUAL will agree to allow a refund of premium calculated on a pro-rata basis, provided that we will always retain a minimum of 25% of the full annual premium.

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<b>General Conditions and Exclusions</b>			
Other insurance	General Condition 12.13	General Condition 6.33	<p>Clarification</p> <p>This policy will only cover loss under the policy to the extent that the amount of such loss is in excess of any indemnity or cover available to the insured in respect of that loss under any other policy entered into by the insured, including but not limited to those policies specified in the schedule or by endorsement, even if the other insurance or indemnity has a term to that effect.</p>