

Let your client's focus on what they do best

Every private company and its executives have the following potential exposures:

- Employment Liability e.g. wrongful dismissal and/or sexual harassment of employees
- Theft of money by employees
- Breach of directors' duties, including breach of the Corporations Act
- Occupational Health & Safety breaches
- Investigations by regulators
- Breach of statutory duties

Chartis is one of the leaders in protecting directors, executives and companies from claims for damages and for defence costs associated with these exposures.

Horsell in conjunction with Chartis is pleased to offer you are pleased to offer you, PrivateEdge® Lite. We understand that not all clients perceive the likelihood and severity of exposures in the same way. For that reason, PrivateEdge Lite has been specifically designed as a simple and cost effective solution for many of the exposures listed above.

It offers a \$250k policy limit for companies with up to \$20 million turnover.

PrivateEdge Lite provides essential cover at a competitive rate, and lets your client focus on what they do best, by taking the time, effort and cost of covered litigation off their desk and placing it in the experienced hands of Chartis.

For more information:

www.horsellonline.com

Phone: 1300 556 826



Insuring Covers

- Insured Persons
- Reimbursement
- Company Liability (For Employment Liability Only)
- Fidelity

Additional Benefits

- Bilateral Discovery Period
- Controlling Shareholder
- Defence Cost Advancement
- Discovery Period for Retired Insured Persons (36 months)
- Fraud Investigator's Costs (included in the fidelity sub-limit)
- Heirs, Estates and Legal Representatives
- Investigation Costs
- New Companies
- Executives' "OH&S Defence Costs Liability" Cover, including for Loss under the "Insured Persons" and "Reimbursement" Covers)
- Pecuniary Penalties
- Executives' Pollution Defence costs
- PrivateEdge Advisory Panel
- Spouses
- Superannuation Trustees

Key Exposures

- Breach of directors duties, including breach of the Corporations Act
- Occupational Health & Safety breaches
- Investigations by regulators
- Claims by creditors as a result of insolvency
- Employment Liability e.g. wrongful dismissal and/or sexual harassment of employees
- Theft of money by employees
- Breach of a statutory liability
- Breach of intellectual property

Target Markets

Any private company.

To obtain a quotation/bind cover

Go to

www.horsellonline.com



Examples of conditions that can stunt growth

Employment Practice Liability: Unfair Dismissal

A transport company became suspicious when it noticed a marked increase in the amount of sick leave being claimed by two of its full time drivers. Under the drivers' contracts of employment they were not allowed to take another job without the company's consent. The company investigated and found that the drivers were working for its major competitor when they were claiming to be ill, and dismissed the drivers. The drivers brought a claim for unfair dismissal against the company. The claim was settled on the basis that the company paid a small amount of damages and defence costs of \$8,000. The company was indemnified for its loss under its PrivateEdge policy.

Employment Practice Liability: Discrimination - Racial

The complainant had been employed by an earthmoving company for 4 years. The complainant alleged that the company had allowed a culture to exist in which he was habitually subjected to racial taunts. The company denied the allegation stressing in its evidence to the Industrial Relations Commission that none of its other employees had ever made any such complaints. Nonetheless, the IRC found that the company had racially discriminated against the complainant. The company was required to pay \$44,000 in damages and its own defence costs. The company was indemnified for its loss under its PrivateEdge policy.

Employment Practice Liability: Discrimination - Sexuality

A country bowling club employed a young man as a barman. The barman alleged that members of the management and staff of the club had informed other employees that he was gay, and that as a consequence the other staff had harassed him. The barman alleged he had been discriminated against on the basis of his perceived homosexuality and made a complaint to the NSW Anti-Discrimination Board. The claim was settled with the club paying \$6,000 compensation and its own defence costs. The club was indemnified for its loss under its PrivateEdge policy.

Company Reimbursement: Minority Shareholder

A former shareholder in a tile importing company brought an action against the board of directors alleging they had failed to act in the best interests of all shareholders. The action arose out of the sale of certain company assets to a competitor after the former shareholder had sold his shares to a majority shareholder. The action alleged that at the time the former shareholder sold his shares the majority shareholder was aware of the impending sale of assets but did not pass this information onto the former shareholder, thus inducing the former shareholder to sell his shares at a lower price. The Court found in favour of the minority shareholder and ordered the directors to pay \$300,000 (note: applicable policy limit for PrivateEdge Lite is \$250,000). The directors were indemnified for their loss under the PrivateEdge policy.

Fidelity Guarantee: Financial Controller Fraud

A plastics manufacturing firm had employed a financial controller for 8 years. As part of her duties the financial controller was responsible for the preparation of all accounts and financial reports for the directors of the firm. Over a period of time the financial controller had been embezzling the funds of the company. This was discovered by the managing director after the financial controller fell ill and was absent for a short period. During this time the bank rang to query the non payment of certain cheques which up to then had been made on a regular basis. An investigation revealed these cheques had been made out to a company set up by the financial controller. The company's loss was approximately \$85,000 (note: applicable policy limit for PrivateEdge Lite is \$50,000). The company was indemnified for its loss under its PrivateEdge policy.

The claims examples provided are actual claims paid under its PrivateEdge insurance policy (some details have been amended to ensure anonymity). The PrivateEdge policy is a more comprehensive policy than PrivateEdge Lite. However, Chartis believes that the claims examples provided would have been covered by PrivateEdge Lite, subject to sub-limits (these have been highlighted) and some amendments made to ensure anonymity. The claims scenarios are not intended to represent that any fact situation may or may not be covered under any policy. The claims details should not be relied upon to justify coverage or to predict the outcome of a claim.

Who is Horsell Distribution Partners?

Horsell Distribution Partners are a dedicated business unit of Horsell International Pty Limited* and are recognised as one of Australia's leading wholesale product facility providers.

Our products are managed by an experienced team of professionals who are committed to ensuring that you can consistently provide your clients with leading edge insurance coverage at competitive premiums.

† Horsell International Pty Ltd is one of Australia's largest risk management and insurance broking intermediaries providing risk financing, insurance, risk management and claims management solutions. As a member of the Wells Fargo Global Broker Network, we have the capacity to provide excellent local service delivery through more than 10,000 team members, operating from 330 offices across 70 countries with the capability and resources to provide insurance brokerage services in 115 countries around the world.

Why choose Chartis?

Chartis is a world leading property-casualty and general insurance organisation serving more than 40 million clients in over 160 countries and jurisdictions. With a 90-year history, one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

Operating in Australia since 1957 Chartis has offices in Sydney, Melbourne, Perth and Brisbane. With over 50 years of experience in the Australian market, we currently protect many of Australia's largest companies, as well as many smaller businesses, professionals and consumers. During this time we have established an enviable reputation for developing market leading and innovative products that keep in step with new trends and directions in business. Our quality products, together with superior service, help us to achieve our goal of strong, sustainable relationships with both brokers and clients. We have one of the widest commercial product ranges in the market and will continue to respond when it really matters.

Comparing PrivateEdge and PrivateEdge Lite

Features	PrivateEdge Lite	PrivateEdge
Directors & Officers	Yes	Yes
Company Reimbursement Cover	Yes	Yes
Employment Practices Liability (EPL) cover	Yes (\$50k sub-limit)	Yes (full limit)
Fidelity Cover	Yes, but only for the Policy-holder's money securities and Property, stolen by an employee (\$50k sub-limit)	Yes (as per requested sub-limit)
Entity Cover	Yes, but only for EPL Claims	Yes
OH&S Defence/Investigation Costs	Yes, but only for the executives	Yes, for the executives and the Company
Every related theft considered as one single dishonest act	Yes	Yes
No sub-limit on investigation costs	Yes	Yes
Special Excess limit for non executive directors (applies to related as well as non related claims)	No	Yes
Executive Accident Protection Extension	No	Yes
Statutory Liability Cover	No	Yes
Retired Insured persons cover	Yes, 36 months	Yes, 84 months
Publicity Cover	No	Yes
Crisis cover	No	Yes
Cover for claims arising out of Information disclosed in an Information Memorandum	No	Yes
Intellectual Property cover	No	Yes for claims against executives
Fraud Investigators cost cover	Sub limited, part of the fidelity sub-limit	In addition to the limit and not sub-limited
Outside Directorship Cover	No	Yes
Insolvency Cover	No	Yes on review

Important Notes:

1. The availability of coverage is subject to underwriting assessment.
2. Availability of coverage and the terms and conditions thereof may be subject to regulatory approval and/or underwriter's determinations.
3. The terms and conditions available may vary depending on the location of the applicant.
4. Any claims examples stated herein are purely fictional and are for illustrative purposes only. Any relation to or reference to any actual person, party or events is purely coincidental. It is important to note that each actual claim is unique. The nature of the claims examples herein (if any) should not be construed as any comment on, or confirmation or extension of, coverage for any past, present or future claim. Furthermore, these examples should not be relied upon to predict the outcome of any actual claims as all claims are evaluated on their own individual merits and subject to the actual terms and conditions of the relevant insurance policies.
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6. This brochure is general in nature and should not be treated as advice. Should you require any advice on your insurance or coverage requirements you should consult your professional insurance advisor.

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