



Contract review service fact sheet

The contract review service is a value-added service offered on all of our information technology and professional indemnity policies.

The service provides our insureds with the benefit of four contract reviews during the policy period.

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Great job - again. How do you get it sorted out so quickly?

Grahame Vile, Director, BCRC (NSW) Pty Ltd

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It's easy to give good feedback when the services provided are top quality.

Harry Lauren, Director, Centro Chambers Insurance Brokers

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It has helped me focus on the provisions I have in the professional indemnity insurance policy. I have now been able to re-negotiate the insurance cover (on my contract).

Gillian McFee, Gillian McFee & Associates Pty Ltd

What does it include?

We'll prepare a brief report with the following:

- Identification of whether the liabilities and exposures are covered by the policy. This is likely to include contractual warranties and indemnities, hold harmless clauses and insurance clauses
- Suggested changes that can be made to the contract to bring it within the coverage provided by DUAL, or other courses of action for the insured

- Identification of possible enhancements to the insured's policy with DUAL to ensure coverage of exposures which may not otherwise be covered under the policy

In addition, the qualified lawyer conducting the contract review will be available for a brief telephone consultation with the insured to discuss the report and answer any questions they may have.

FAQs

Which documents don't form part of the contract review service?

Letters of appointment, terms and conditions, and contracts entered into with a third party.

Can I get more than four contract reviews?

For an additional fee, we can extend the contract review service beyond the four provided. Talk to your local underwriter for more information and to get a quote.

Will DUAL review other clauses and documents contained in the contract?

Our contract review service only extends to the provisions of the contract that may impact on the insured's potential exposure under its policy.

Will DUAL review an extract of a contract?

To ensure we provide the best service, we require a complete copy of the contract to conduct a review.

How does DUAL handle any information that I or my company provides for the contract review?

We handle all contract reviews in the strictest confidence and in accordance with the National Privacy Principles (NPP).

Will DUAL review contracts that I have already entered into?

Once a contract is entered into, it can be very difficult to change it. We will review these contracts. However, if you have already entered into them, you should check first whether the parties will allow any amendments.

When can I get contract reviews from DUAL?

You can use the four contract reviews throughout your policy period with us.

For example, if the period of insurance specified on your policy schedule states 30 June 2019 at 4.00pm to 30 June 2020 at 4.00pm, then you will be entitled to receive four contract reviews during that period.

Do contract reviews carry over from year to year?

Contract reviews are only valid during the policy period and don't carry over from year to year.

Proven claims experience

**\$1.5 million
intellectual
property (IP)
infringement
exposure in the US**

IT company

- 30 staff
- \$6 million turnover

Background

The insured was about to enter into a contract with an Australian company to install new software on a mining rig in the US. The contract was governed by the laws of the US. Claims brought in the US Court of Law would be excluded under the information technology policy.

Outcome

The contract review suggested the insured extend the policy to cover claims brought in a US Court of Law. The policy was amended for an additional premium. Twelve months later, a claim for damages of \$1.5 million was issued in the US against the insured for breach of IP. Because of the changes made following the contract review, the claim was covered under the policy.

Payment: \$1.5 million.

**Negligence claim
saving the insured
\$300,000**

Architectural firm

- 10 staff
- \$5 million turnover

Background

The insured entered into a contract to design an office building. A review of the contract before work began highlighted that the insured indemnified the building owner for all losses caused by the building owner. As a result, the clause was deleted from the contract.

Outcome

Two years after the building was completed, a balcony collapsed causing extensive property damage. The court found that faulty construction was the cause of the collapse and the builder was held liable for the damages.

The clause changes saved the insured \$300,000 that it would have had to pay as a contractual liability.

Payment: \$300,000.

To request this service please email:

claims@dualaustralia.com.au

Helping you do more

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dualinsurance.com

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The contract review service is a brief overview of the issues that may impact an insured, in the event of a claim being made. It's not intended to be a substitute for a comprehensive legal review of all of the terms and conditions contained in a contract. We recommend that if a comprehensive legal review is required, the insured contact their solicitor to obtain this advice. The claims examples contained in this fact sheet are meant as a hypothetical guide only. DUAL Australia doesn't accept any liability arising out of any reliance on the information in this fact sheet. We urge you to consult your insurance broker, the Insurance Council of Australia or the Australian Financial Complaints Authority (AFCA) for further information. If you're unable to resolve any issues that you may have, you may need to obtain independent legal advice

