



# Crime protection product profile

## DUAL's coverage

We've developed a comprehensive crime protection policy, offering our brokers and insureds market-leading cover, competitive pricing and a simple transaction, with tailored solutions from our dedicated underwriting team.

Our new crime protection policy provides extensive coverage including internal and external fraudulent acts, computer crime costs, contractual penalties and extortion.

## Our appetite

We have a broad target market for private companies and public-listed companies including manufacturers, white-collar industries, blue-collar industries, retail and IT.

## Simple transaction

Provide us with just three pieces of information to obtain a non-binding indication for your client:

1. Industry
2. Revenue
3. Employees

## Key facts

- \$3 million is the average cost of fraud in Australia and New Zealand<sup>1</sup>
- 46% of New Zealand organisations said economic crime had an impact on their reputation and brand<sup>2</sup>
- 65% of New Zealand organisations reported that economic crime had an impact on employee morale<sup>3</sup>
- 58% of New Zealand organisations consider opportunity to be the main driver of economic crime<sup>4</sup>
- Only 8% of New Zealand organisations have adopted a centralised and dedicated fraud detection and investigation team<sup>5</sup>

51%

of New Zealand organisations have experienced economic crime in the past two years.<sup>6</sup>

# Why DUAL?

## Broad appetite

We write over 450 different occupations and are industry specialists.

## Underwriting and claims expertise

Our team of specialist underwriters and in-house claims officers brings significant industry expertise to the market.

## Experience

We're the largest underwriting agency and among the top five liability providers in the New Zealand market.

## Tailored solutions

Brokers can obtain tailored solutions from our underwriters.

## Features of cover

Cover is based on our Mind The Gap crime protection policy wording 08.18.

- Internal and external frauds
- Defence costs in addition to the limit
- Access to a dedicated whistleblower hotline
- Contractual penalties resulting from an internal or external crime
- Credit card fraud
- Computer crime costs
- Extortion costs
- Incorrect transfer of money or securities
- Future loss prevention costs
- Loss of client funds in care, custody or control
- Loss of interest income
- Panel counsel
- Physical loss or destruction of or damage to money or securities
- Public relations expenses
- Software reconstitution costs

## Proven claims experience

### Agriculture

450 staff  
\$170 million turnover

### Background

The insured discovered that a long-standing contractor (who was also a former employee) had been misappropriating funds over a six-year period by adding an additional '0' to his weekly contractor payments. The contractor then created fake invoices for fictitious purchases to conceal the fraud. The total amount stolen was quantified at \$9.8 million.

### Response

The policy was triggered, and cover was provided under clause 2.2 for the insured's direct financial loss.

**Payment: \$1 million  
(full indemnity limit)**

## Professional services

300 staff  
\$140 million turnover

## Background

A contractor engaged the services of the insured to provide early payment of invoices to their clients. Over a period of eight months, the contractor produced fake invoices and purchase orders for the insured to pay. An employee of the insured discovered the fraud and the total loss was \$150,000.

## Response

The client claimed the fraud under their crime policy, and indemnity was granted.

**Payment: \$146,000**

## Auto repairer

10 staff  
\$2 million turnover

## Background

While the directors of the insured were away on holiday, an employee fraudulently signed and banked cheques in the directors' names. The employee had set up a number of fake suppliers in the insured's accounting system and made payments to these suppliers after banking the cheques. The total amount stolen was \$170,000.

## Response

The insured claimed under the crime section of their management liability policy. Indemnity was granted for the direct financial loss.

**Payment: \$165,000 after deductible**

## Questions?

For further details on our crime protection, please contact your local DUAL underwriter.

## Helping you do more

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<sup>1</sup> Australian Institute for Criminology. <sup>2-6</sup> PwC, Global Economic Crime Survey, 2018.

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