



MIND THE GAP MANAGEMENT LIABILITY

The following document is intended as a guide to understanding DUAL New Zealand Management Liability Policy Wording 03.19, what changes have been made to it and how the changes affect the cover provided.

Mind the Gap Management Liability	V04.16	V03.19	Comments
Language / General			
Defined Terms	Defined Terms identified by CAPITAL LETTERS	Defined terms identified by bold letters	
Sub-limits or %	Mentioned in Wording	Any reference to sub-limits removed from Wording and now specified in the Schedule.	
Insuring Clause			
Indemnity/payment language	"We agree to indemnify" language.	Amended to "We agree to pay on behalf of" language.	"Pay on behalf of" language is broader than an indemnity form, which requires the Insured to pay the claim before recovering from Insurers.
Defence Costs In Addition	One aggregate limit available for defence costs, across all policy sections.	Separate limit for defence costs applies in addition to each MTG policy.	
Automatic Coverage Clause			
Advancement of Defence Costs	Not included.	Included.	DUAL will advance defence costs within 28 days of receipt of sufficiently detailed invoices for those costs are received by us.
Continuous Coverage	Included in General Conditions Section of Wording.	Included in the Automatic Cover Section under Management Liability Wording.	
Crisis Containment	Included for \$100,000 under Crisis Cover Section of Wording.	Included for \$250,000 sub limit under Management Liability Wording.	Higher sub-limit of \$250,000.

MIND THE GAP MANAGEMENT LIABILITY CHANGES TO COVER

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Automatic Coverage Clause			
Crime	Included for \$100,000 under Crisis Cover Section of Wording.	Included for \$250,000 sub limit under Management Liability Wording.	Higher sub-limit of \$250,000.
Crime Investigation Fees	Not Included.	Included for \$100,000 sub limit in addition to the Indemnity limit. DUAL will pay reasonable and necessary fees and costs for a fraud investigator to establish the direct financial loss covered by the Policy.	\$100K sub-limit applicable, in addition to the Crime sub limit.
Emergency Defence Costs	Included up to 10% of the policy limit Insured granted 14 days to obtain consent.	Included up to Full Indemnity Limit. Insured granted up to 30 days to obtain consent.	Full Indemnity Limit available.
Internet Liability	Not Included.	Included for \$250,000 sub limit.	This provides cover for any claim relating to an internet error committed by the Insured via their website, internet use, email or any electronic network.
Panel Counsel	Not Included.	Included.	Coverage enhancement. 1 hour free legal advice from a panel firm regarding a covered claim or circumstance accepted by the policy.
Exclusions			
Dual Controls/ Segregation of Duties Exclusion	Not Included.	Included.	Clarifies that cover is not available for any claim sustained by the company due to the absence of or failure to have a clear segregation of duties and procedures in connection with issuing and drawing of cheques, account withdrawals or fund transfers in excess of \$1,000 in value.

MIND THE GAP MANAGEMENT LIABILITY CHANGES TO COVER

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Exclusions			
Theft by Directors	Not Included.	Included.	Clarifies that cover is not available for any loss arising from any fraudulent or dishonest activities, or involving collusion by or complicity, of a director who at the time of the dishonest act owns or controls more than 5% of the issued share capital of the company.
General Conditions and Exclusions			
Molestation Exclusion	Not Included.	Included.	
Misuse of Drugs	Not Included.	Included.	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.
Cancellation Clause	Included.	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.	