



SMSF Association Financial Planner Professional Indemnity Policy Fact Sheet

FEATURES	
Insuring Clauses	<p>Clause A: Provides indemnity for legal liability for claims for compensation in respect of any civil liability whatsoever & howsoever incurred in the conduct of the Professional Business</p> <p>Clause B: Provides for defence and investigation costs in addition to the limit of indemnity providing they are incurred with the written consent of the insurer</p>
Limit of Indemnity per Claim	<p>\$2,000,000 - \$10,000,000 any one claim (greater than \$10 million requires Lloyds approval)</p> <p>Limit of Indemnity is Costs In Addition</p>
Aggregate Limit of Indemnity – Reinstatements in any one year	<p>One Reinstatement only (e.g. For a \$2,000,000 limit, the aggregate is \$4,000,000)</p>
Excess Payable per Claim	<p>Calculated at 0.5% of gross fees – Minimum \$7,500</p> <p>Excess is Costs Inclusive</p>
Standard Limits for Extensions	<p>Full Limit of Indemnity available, except for:</p> <ul style="list-style-type: none"> • Loss of Documents (\$500,000 per period) • Fidelity Cover (\$100,000 per period) • Cost of Official Enquiries (\$100,000 per period) <p><i>PLUS</i></p> <p>FOS and other EDR Authority sub-limits:</p> <ul style="list-style-type: none"> • Claims arising out of FP or insurance broking (\$309,000) • Claims arising out of life insurance or income protection (\$309,000) • Full Policy Limit available
Premiums payable for Standard Cover and Extensions	<p>Premiums are determined by gross fees and policy extensions are included at no additional cost. Premiums are influenced by:</p> <ul style="list-style-type: none"> • Fee revenue • Type & complexity of advice and services provided • Claims history of the practice
By-laws & Regulations of Industry Associations	<p>Although the policy is exclusive to SMSF Association Specialist Members, it satisfies the by-laws of the FPA and AFA</p> <p>Importantly, the policy wording is RG126 compliant and therefore acceptable to ASIC – essential to retain your AFSL or Proper Authority</p>
Obtaining a Quotation	<p>A quotation can be prepared on receipt of the following:</p> <ul style="list-style-type: none"> • SMSF Association Proposal form (or any major Insurer’s Proposal) • Approved Product List • Complaints Register • Compliance Audit Report
SMSF Association Member Support	<p>Indemnity Solutions: T: 1800 726 047 F: 1300 886 857 E: peterf@indemnitysols.com.au</p>

AUTOMATIC EXTENSIONS

<ul style="list-style-type: none"> • Fidelity Cover 	Applies to loss of money, negotiable instruments, bearer bonds or coupons, stamps, bank or currency notes
<ul style="list-style-type: none"> • SIS Act Civil Penalties – costs & expenses cover 	Included
<ul style="list-style-type: none"> • SIS Act & TAS Act 	Included
<ul style="list-style-type: none"> • SMSF Association SMSF Specialist Auditor Standards & Code of Conduct 	Included
<ul style="list-style-type: none"> • Loss of Documents 	Included – \$500,000 sub-limit
<ul style="list-style-type: none"> • Continuous Cover Clause 	Included – Full limit
<ul style="list-style-type: none"> • Previous Business Cover 	Included – Full limit
<ul style="list-style-type: none"> • Cost of Official Enquiries 	Included – \$100,000 sub-limit for per period
<ul style="list-style-type: none"> • Consultants, Subcontractors & Agents 	Included – Full limit
<ul style="list-style-type: none"> • External Dispute Resolution Schemes 	Included – FOS & other recognised EDR bodies
<ul style="list-style-type: none"> • Life Broking Activities 	Included – Full limit
<ul style="list-style-type: none"> • Authorised Representative Indemnity 	Included – Full limit
<ul style="list-style-type: none"> • Margin Lending 	Included

ADDITIONAL BENEFITS

<ul style="list-style-type: none"> • Fraud & Dishonesty 	Included – Full limit
<ul style="list-style-type: none"> • Vicarious Liability 	Included – Full limit
<ul style="list-style-type: none"> • Libel & Slander 	Included – Full limit
<ul style="list-style-type: none"> • Trade Practices, Consumer Protection Legislation 	Included – Full limit
<ul style="list-style-type: none"> • Alleged or Actual Conflicts of Interest 	Included – Full limit

POLICY EXCLUSIONS (Specific to Financial Planning)

<ul style="list-style-type: none"> • Mezzanine Finance & Known Claims & Circumstances 	Any Mezzanine Finance and Westpoint related claims & any known claims and circumstances. Eg. Timbercorp, Great Southern, etc.
<ul style="list-style-type: none"> • Managed Discretionary Funds 	Managed Discretionary Funds where operated by an AFSL with discretion to access and re-direct
<ul style="list-style-type: none"> • Non-approved Products 	Claims related to products not on approved product list (but not applicable to switching a non approved product to one approved)
<ul style="list-style-type: none"> • Related or Associated Entities 	Related or associated entities claims brought on behalf of family members
<ul style="list-style-type: none"> • Insurance 	Claims related to signing documents on behalf of a client Claims related to the insolvency of any Insurer, Broker, Underwriter or Insurance Intermediary

