



Professional Indemnity / Cyber Insurance for CPA Australia Members

Introduction to Marsh Insurance Brokers

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AUS - Melbourne



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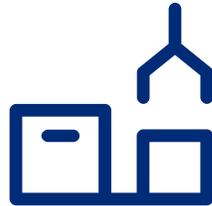
Agenda

Background

- In mid-May 2023, CPA Australia sought responses from the insurance broking market in relation to its professional indemnity insurance program for Public Practice Certificate holders.
- The following criteria were of particular importance to CPA Australia:



Capability to provide a compliant insurance solution for CPA Australia Public Practitioners in both **Australia and New Zealand** for Professional Indemnity Insurance (PII) & Cyber Insurance.



Other general insurance classes including but not limited to Property Insurance, Public Liability Insurance, Workers Compensation Insurance, Tax Audit Insurance, Management Liability Insurance for incorporated entities.

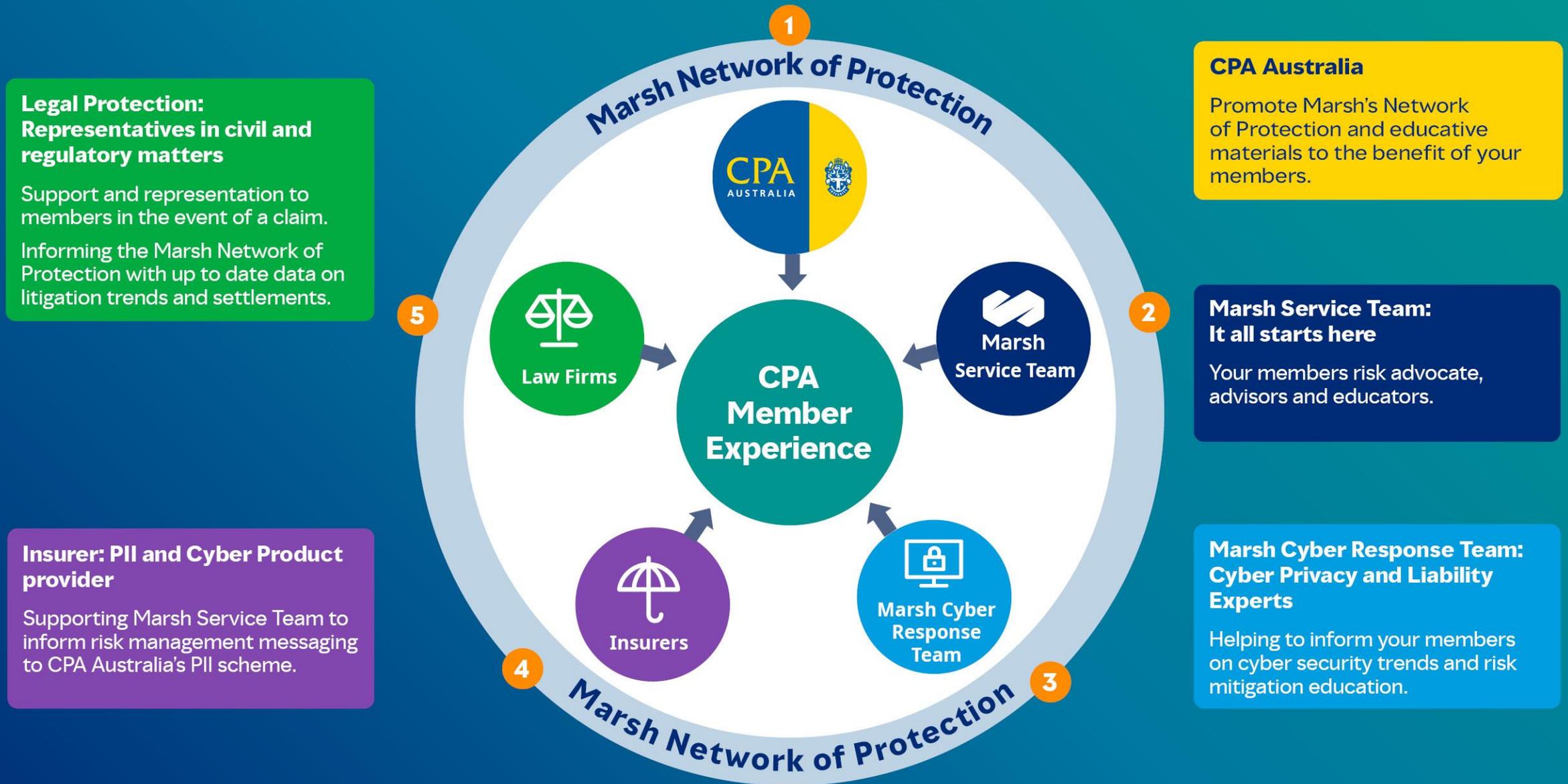


Ability for members to **access the product online** enabling them to transact at a time convenient to them.



Ability to capture claims data and practice demographics to help inform the membership on appropriate **risk mitigation strategies**.

Our Vision for CPA Australia members



Legal Protection: Representatives in civil and regulatory matters

Support and representation to members in the event of a claim.

Informing the Marsh Network of Protection with up to date data on litigation trends and settlements.

CPA Australia

Promote Marsh's Network of Protection and educative materials to the benefit of your members.

Marsh Service Team: It all starts here

Your members risk advocate, advisors and educators.

Insurer: PII and Cyber Product provider

Supporting Marsh Service Team to inform risk management messaging to CPA Australia's PII scheme.

Marsh Cyber Response Team: Cyber Privacy and Liability Experts

Helping to inform your members on cyber security trends and risk mitigation education.

About Marsh

Marsh is a business of Marsh McLennan, the world's leading professional services firm in the areas of risk, strategy, and people.

Marsh McLennan

Marsh

Insurance broking and risk management solutions.

Guy Carpenter

Reinsurance and capital strategies.

Mercer

Health, investment, retirement and career consulting and solutions.

Oliver Wyman

Strategy, economic, and brand consulting.



The world's leading broker and risk advisor

45,000+

Colleagues serving businesses, public entities, and private clients in more than 130 countries

35+

Risk, specialty, and industry practices

500+

Offices worldwide

90%

Fortune 500® companies who are Marsh clients



*12 months ended 03/31/2023

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Who are AIG Australia?

Appointed Insurance Company

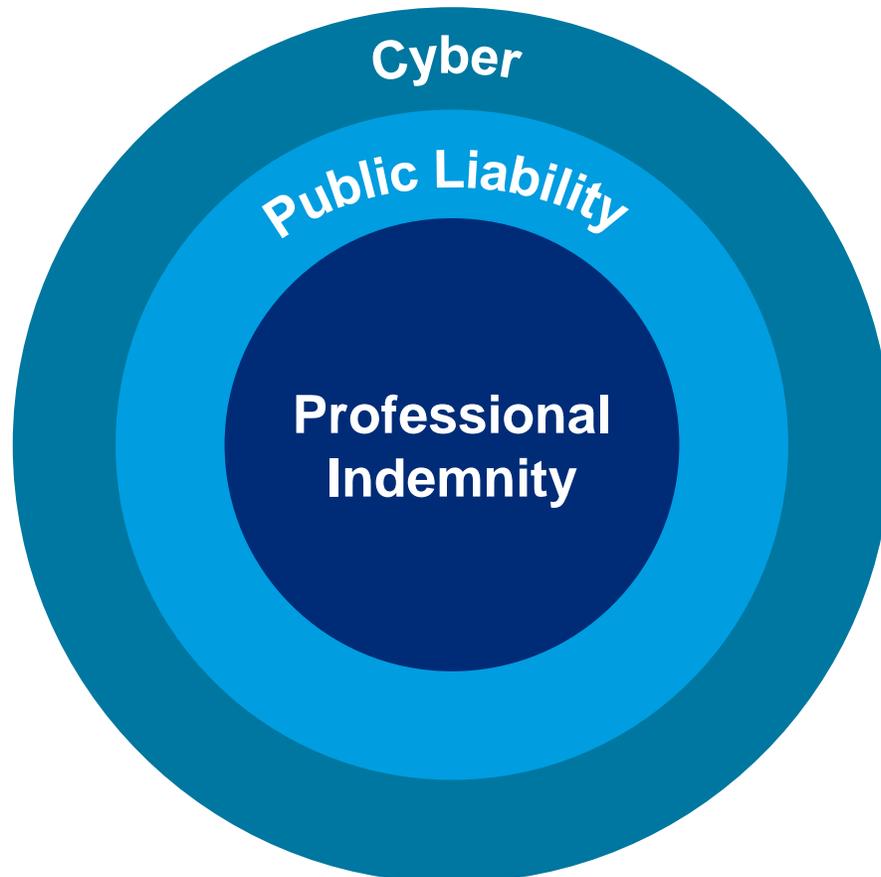


- AIG Australia are a wholly owned subsidiary of American International Group Inc (AIG). AIG Group are a leading global insurance organisation with offices in over 80 countries. They are also publicly traded on the NYSE.
- AIG **entered the Australian market in 1957** and have offices in Melbourne, Sydney, Perth & Brisbane. Currently, they have approximately **350 employees**. They are regulated by the Australian Prudential Regulation Authority (APRA) and have a strong financial strength rating.
- AIG have been **operating in New Zealand for over 50 years** and are head quartered in Auckland with approximately **100 employees**.
- Extensive experience with accountants' Professional Indemnity Insurance. Committed to playing their role within the **Network of Protection** to achieve the desired outcomes for CPA Australia and its members.

Insurance for CPA Australia Members – Highlights of Coverage

Professional Indemnity Insurance / Cyber Insurance / General Liability

The professional indemnity insurance product has **optional extensions for Cyber Insurance and Public Liability Insurance.**



The PII product itself has been constructed to be compliant with section 9.8 of CPA's By-Laws to ensure it is adequate including:

- **Cost exclusive** limits and excesses.
- **Full retroactive** cover.
- **Broad definition to cover the full scope of activities.**
- **Dishonesty of Employees and other and/or** others who provide services on behalf of the insured.
- AIG have provided a **difference in conditions (DIC) and Extended Continuity** clauses to reduce any risk of switching 'claims made and notified' products from a coverage perspective.
- **Run off coverage is provided automatically for 7 years** for members who have been insured with AIG via Marsh's agreed wording for 2 consecutive years (no additional premium required).
- **Automatic renewal offer** for practitioners who have had no notifications or material changes in business activity to the previous 12 months to reduce administration burden.
- **Compliant excesses.**

Insurance for CPA Australia Members – Highlights of Coverage

Cyber Insurance

TRIGGERS



COVERS



1. Event Management Costs

Costs of relevant experts (such as digital forensics, PR/Crisis management, breach coaches) and third-parties required to investigate and remediate an incident



4. Digital Media Content Liability

Covers the damages and deface costs incurred in connection with an unintentional breach or negligence of a third party's intellectual property rights or electronic content.



2. Network Interruption

Covers financial loss that a customer may experience when their network is disrupted after a Cyber breach, compensating for loss of profit to their business operations.



5. Cyber Extortion (Ransomware) Expenses

Reimbursement of a ransom payment and the costs of appropriate third-party expertise and legal support



3. Security and Privacy Liability

Responds to third-party liabilities resulting from breaches of confidential information, security failure, failure to notify the regulator and breaches of PCI compliance



6. Cyber Crime

Covers against various types of cyber-related crimes and fraudulent activities. Include funds transfer fraud, computer fraud, telephone usage fraud, and cryptojacking fraud.



NOT COVERED: **Property Damage** **Bodily Injury**

In the Event of a Suspected or Actual Incident



First Response Advisor:*
Clyde & Co
Norton Rose Fulbright

First Response Benefits

- First Response gives you access to AIG's panel of incident response experts 24/7/365.
- You can use this service if you suspect an Insured Event covered by the policy has occurred.
- Your policy retention does not apply to the First Response Legal Services during the period noted on your schedule.
- First Response Expenses will be paid within the Event Management Coverage section.
- This service is provided without prejudice to policy coverage.

You will be provided with updating reports detailing the support and advice provided regarding the incident and next steps.

* For the full terms & conditions, please refer to the policy wording.

First Response Service



Your call will be answered by the AIG call centre. Your call will be answered in English but a call-back service is available in other languages.



The First Response Advisor will contact you within approximately 1 hour of a call-back service request to take initial details of the incident and advise on next steps as well as assisting with the coordination of the response.



The First Response Advisor will appoint an approved IT specialist if needed to assist you in determining what has been affected and how the incident might be resolved.



You will receive initial legal advice to assist with the requirements to regulators and individuals.

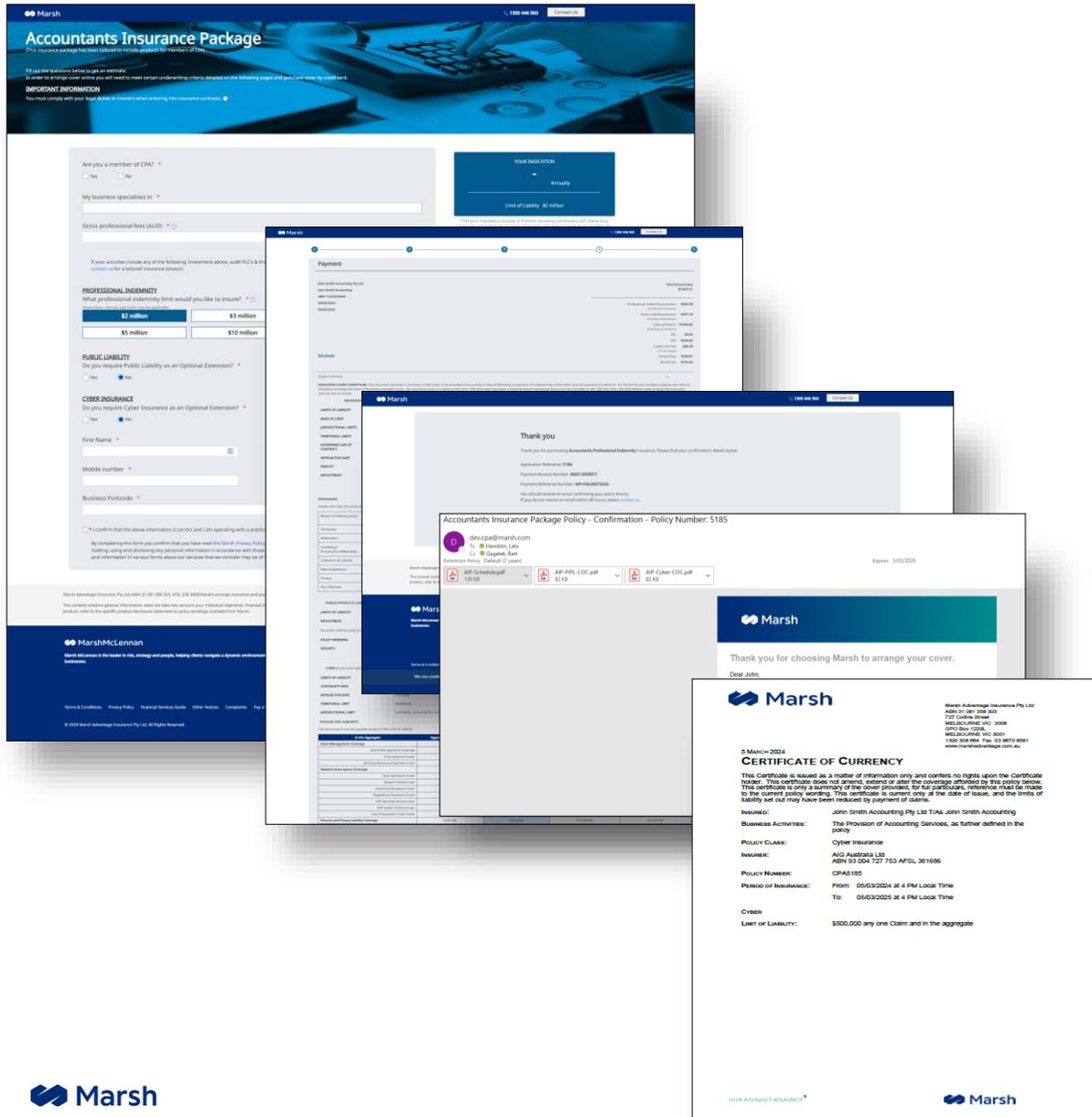


If required, the First Response Advisor will appoint a Public Relations Advisor to help prevent reputational damage and a Cyber Extortion Advisor to guide you during an extortion or ransomware event.

AIG



Accessing the Product



AIP-ONLINE (www.au.marsh.com)

- An ecosystem designed to be **simple to use, meet your insurance needs** and deliver your policy information **frictionless**
- Insurance products **tailored for members of CPA** meeting your bylaw requirements
- **Professional Indemnity** with an option to include **Public Liability &/or Cyber**
- Estimated user journey = **10 mins** from start to when your documents arrive in your inbox
- **Self-service Certificate of Currency portal** that allows you to access your confirmation of cover 24/7

Our Service Team for CPA Australia Members



CPA AUSTRALIA MEMBERS

OPERATIONS
1300 446 960

GAVIN KIRK
Head of Client
Connect Hub

15 COLLEAGUES
Client Connect
Hub Team

TECHNICAL SPECIALIST

MARY CENGIJA
Account Manager

ANGELINA CIANCI
Account Manager

ACCOUNT DIRECTORS

CHRIS RISTEVSKI
Partnerships Manager



LEIGH HARPER
Partnerships Manager



HOLLY VAN DER LOO
Head of Cyber



SATPREET CHANDRA
Head of Affinity NZ



CLAIMS

PROFESSIONAL INDEMNITY/PUBLIC LIABILITY
Email cpa.accountants@marsh.com or 1300 446 960

CYBER CLAIMS
AIG's First Response Service or 1800 290 982

Wrap Up and Questions

- The product will be available via the Marsh website on the **21st of April 2024.**
- While we have focused on the user journey, there are always some types of activities that the insurer may want more information on before being able to finalise your premium – if you get a referral message while you complete your online application – don't despair! **One of our helpful staff will contact you** to gather the necessary information to provide to the insurer on your behalf and finalise your quotation.
- The team at Marsh are genuinely excited to work with CPA Australia and its membership to **bring the network of protection to life.**

Ultimately, **our goal** is to provide CPA Australia members with:

- **Ongoing Risk Education** that is informative and can be applied practically.
- **Broad and adaptable coverage** to meet the needs of the industry
- **Consistent pricing** over the long term
- **Reliable and responsive claims service** to allow CPA members to carry on performing their critical roles for their Australian and New Zealand clients.

Questions?

cpa.accountants@marsh.com



Marsh Advantage Insurance Pty Ltd (ABN 31 081 358 303, AFSL 238 369)(“Marsh”). Product Issuer: AIG Australia Limited (ABN 93 004 727 753, AFSL 381686)(“AIG”).

Marsh arrange the insurance on behalf of CPA Australia Members and is not the insurer. This is a bespoke insurance solution for eligible and active CPA Members only. Marsh receives a commission from AIG for each policy of insurance placed for CPA Members under this solution.

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