

**In any relationship it's
important to
CLICK.**



NZCS
NEW ZEALAND COMPUTER SOCIETY

**Liability Insurance for
Independent Contractors**

Brought to you by



i2i Insurance Brokers LTD

Why risk everything when ContractorCover is so affordable?

Working for yourself can be hugely rewarding, but it's not without its risks. A mistake at work could prove costly, damage your business, your reputation and potentially put your livelihood at risk.

Features of the NZCS Liability Programme include:

- Worldwide territorial and jurisdictional limits (excluding USA and Canada)
- Optional unlimited retroactive cover
- One policy document covering Professional Indemnity, Public Liability and Statutory Cover
- Low policy excesses
- Competitive Premiums

Benefits include:

- It's fast and easy to apply with no lengthy forms
- One set of documents to manage
- One renewal date
- One point of contact for any claims
- Flexible so you have the freedom to choose the level of cover you want as your contractual conditions change.

Please note that fee income (\$500,000 max) and staffing (5 in total) limits apply.

Some IT occupations may require additional underwriting and extra premium may be required

Professional indemnity insurance - a must in today's hyper litigious world

Professional indemnity is financial protection for you (and your company if you are set up as a Limited Liability Company) in case a client decides to pursue a claim against you because of an error in the advice or work you have given to your client causes them financial loss.

As a Contractor you are fully responsible for your services which means you are also responsible financially to your client for any mistake made.

The NZCS policy includes cover for:

- **Unintentional breach of a written contract to supply software or hardware.** In our experience, breach of contract is one of the most common insurance claims in your industry, which is why we cover it as standard
- **The supply of 'deliverables'** like software or hardware
- **Negligence:** You have failed in your duty of care to a client, perhaps an error in the advice or work you have given to your client causes them financial loss
- **Any civil liability:** this means that if a claim is made against you by your client for a loss that isn't specifically excluded, it's covered
- **Infringement of intellectual property rights** such as copyright or trademark
- **Defamation** (also known as libel or slander) claims brought against you
- **Loss, theft or damage of client documents in your care,** including data

Even if you have done nothing wrong, but a client alleges negligence on your part, the policy will still protect you and pay the legal costs in defending you.

The NZCS professional indemnity insurance policy will cover you for almost every eventuality you are likely to face and includes important features for Contractors such

free retroactive cover, FREE sub-contractor cover, low excesses (max \$2,000) and pro-rata refunds on mid-term cancellations.

Public Liability insurance

Public liability insurance covers compensation you have to pay a client, contractor or member of the public due to accidental injury or property damage. This could be something that happened at your business premises such as a client slipping on a wet floor, or something outside your workplace such as an employee spilling coffee over a client's computer when visiting their office

Public liability insurance will provide your business with important protection if you:

- deal with the public
- have clients visiting your home office or business premises
- or an employee or sub contractor visit your clients' offices

Even if you don't have visitors to your office or home you could still suffer a public liability claim against your business if, for example, you accidentally damage client's property in their office.

Statutory Liability insurance

Covers you for the legal costs and expenses to defend yourself against a breach of Statute, Regulation or Act of Parliament.

Examples include a breach of the:

- Privacy Act
- Consumer Guarantees Act; and

- Fair Trading Act just to name a few.

Frequently Asked Questions

I'm already insured under the old NZCS programme, how do I change over?

Cover can be transferred by completing the transfer application form available on the website. The transfer process will take 24 hours and you can receive a text confirming the transfer is complete within 24 hours.

When does cover commence?

Cover can be arranged at any time to suit your circumstances but cannot be back-dated. However, we can offer retroactive cover on the Professional Indemnity policy which you can read about later in this section.

As a self-employed business / Limited Liability Company what types of cover are compulsory?

It is advisable to consider all elements of insurance to protect you from a variety of risks within your market and often under contract you will be required to carry Professional Indemnity and Public Liability Insurance cover as a minimum. From time to time you may also be required to have Statutory Liability cover.

I'm only on a short term contract. Why do I need annual cover?

Professional Indemnity cover is traditionally underwritten on a "claims made" wording which means cover must be in force at the time of a claim being submitted.

For example, if you had cover in force for the duration of a contract and then cancelled the policy upon completion of the contract and a claim from your customer is received two weeks later then cover would not be in place. Annual cover ensures you have cover for all eventualities and even if you cease contracting, we recommend you purchase run-off cover to ensure you are not exposed to a claim relating to work carried out historically.

How long does it take to arrange cover?

24 Hours. The application process is designed to provide a fast and efficient service with the ability to print out documentation immediately upon completion of the process.

Who provides the insurance and how can this cover be so competitive?

The insurance is arranged with a variety of insurers and with some under binding agreements. It is for this reason that this comprehensive cover can be provided so competitively.

How can I pay for this insurance?

On receipt of our invoice you can choose to pay by direct credit or cheque or if you prefer to pay by instalments (monthly, quarterly or bi-annually) this can be arranged for you through a premium funding arrangement which incurs finance and interest charges.

How is the policy renewed?

i2i will make contact with you prior to the expiry of the current policy to offer the terms for the renewal. This will be processed when your instructions have been received prior to the expiry of the current policy.

How do I find out the terms and conditions of each type of Insurance policy?

Policy Information Summaries are available on request.

How do I cancel or vary the terms of cover?

Just contact us.

Professional Indemnity: What is Retroactive Cover?

Retroactive cover applies solely to Professional Indemnity Insurance. Once this class

of insurance is arranged, it will cover you for any future claims which may relate back to an occurrence which pre-dates the date on which the insurance policy commenced as far back as the date on which your business started, so long as you keep the policy in force with us. For this type of insurance, cover can only be confirmed after receipt of a declaration (at inception or renewal) stating that you are not aware of any past or present circumstances which could give rise to a claim.

What if I do not qualify for the NZCS Liability Programme - can I still get insurance?

i2i insures a wide range of businesses big and small, national and global within the IT industry at competitive rates. If you don't fall into the NZCS Liability Programme for IT Contractors we would be more than happy to review your current programme and provide an alternative.

Clients often ask about other products that are suitable for them ...

So, in the perpetual quest to make life as easy and hassle-free as possible for you, you can also access other excellent financial products such as:

- Directors and Officers Insurance
- Fee Insurance Plus (for Audit investigations)
- Income Protection, Health and Life Insurance
- Contract Review Services (as it relates to your insurance policy)
- Personal House, Contents and Car Insurance

All with an NZCS bona fide discount.

If you are interested in any of these products, let's connect!