

# CPA AUSTRALIA PROFESSIONAL INDEMNITY INSURANCE: COMPARISON CHECKLIST

Does the insurance offered to you by others compare with the cover provided under the CPA Australia Professional Indemnity Insurance (PII) Policy?

If you are not sure about the extent of the cover being offered by other insurers then you should make enquiries with the firm that has provided you with your quote.

	CPA AUSTRALIA BY-LAWS	CPA AUSTRALIA PII POLICY	OTHER INSURERS
Does the policy meet CPA Australia requirements?	By-Laws requirement:	Endorsed by CPA Australia	<input type="checkbox"/>
<b>1. WHO IS PROVIDING THE COVER?</b>			
For Australian-based members, is the insurer an APRA Authorised General Insurer?	Policy must be underwritten by an APRA Authorised General Insurer	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Does the insurer/insurance broker provide an integrated risk management program?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>2. MINIMUM SUM INSURED</b>			
Does the minimum sum insured meet CPA Australia's minimum requirements?	Minimum of \$2m for Australian-based members and NZ\$1m for NZ-based members	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>3. DEFENCE COSTS</b>			
Is the sum insured exclusive of defence costs?	Defence costs must be in addition to the minimum sum insured	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>4. EXCESS</b>			
Is your policy a cost exclusive policy where an excess is payable when the claim is settled or if there is a negligent outcome?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is your excess either below 1% of the policy limit or below 3% of gross income?	There must be a provision for an excess for each and every claim not exceeding the greater of 3% of your gross income and 1% of the policy limit	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>5. COVER FOR ALL WORK</b>			
Does the insurance include cover for all Public Accounting Services that might be undertaken by a CPA Australia member? Including:	Terms must provide indemnity to any civil liability arising out of the Public Accounting Services provided	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(i) insolvency work?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
(ii) Limited AFS licence activities?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>6. EXTERNAL DISPUTE RESOLUTION ENDORSEMENT</b>			
For Australian-based members, does the policy meet ASIC requirements for the Limited AFS licence and include EDR endorsement? For New Zealand members, does the policy meet the Companies Office DSR requirements?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>7. SUPERANNUATION</b>			
For Australian-based members, does the policy meet the PII requirements within the <i>Superannuation Industry (Supervision) Act 1993</i> ?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>8. AUDIT (INCLUDING SMSF)</b>			
For SMSF auditors in Australia, does the policy meet ASIC requirements under RG 243? For licensed auditors in New Zealand, does the policy meet Financial Markets Authority requirements?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>9. TAX AGENT SERVICES</b>			
For Australian-based members, does the policy meet the PII requirements of the Tax Practitioners Board in Australia under the <i>Tax Agent Services Act 2009</i> ?		<input checked="" type="checkbox"/>	<input type="checkbox"/>

10. ANTI-TAX AVOIDANCE			
Does the insurance provide cover for situations which may be subject to anti-avoidance provisions?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. CYBER LIABILITY			
Does the policy provide the option to cover your cyber exposure, including third party cyber liability, first party hacker damage, cyber extortion and data breach notification costs?		<input checked="" type="checkbox"/> Optional policy extension in Australia	<input type="checkbox"/>
12. RUN-OFF COVER			
Does the insurer provide facility for run-off cover for a period of not less than seven years? Including:	Members must maintain a policy of PII for a period of not less than 7 years	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(i) Run-off cover for sole practitioners?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
(ii) Run-off cover for sole practitioner liquidators (as per RG 194)?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. OTHER INSURANCE ISSUES			
Does the insurance include cover for:		<input checked="" type="checkbox"/>	<input type="checkbox"/>
(i) Automatic reinstatement of the limit of indemnity following a claim?	There must be terms providing for one or more automatic reinstatements	<input checked="" type="checkbox"/> Unlimited	<input type="checkbox"/>
(ii) Your retroactive liability? If so, to what extent?	There must be a retroactive date no later than 7 years before the period of insurance	<input checked="" type="checkbox"/> Unlimited	<input type="checkbox"/>
(iii) Libel & slander?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
(iv) Loss of documents?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
(v) Fraud & dishonesty?	Must cover losses arising out of the dishonesty of all employees, contractors and natural persons affiliated with the practice	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(vi) Fidelity?		<input checked="" type="checkbox"/> Sub-limit of \$500,000	<input type="checkbox"/>
(vii) A partner's previous business?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
(vii) Everyone affiliated with the practice?	The insured must include the member; any Approved Practice Entity affiliated with the member; and all employees, contractors, directors and officers affiliated with the member	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(ix) Cost of official investigations and enquiries?		<input checked="" type="checkbox"/> An aggregate of \$250,000	<input type="checkbox"/>

For information about the CPA Australia Professional Indemnity Insurance Policy contact the Policy's preferred broker in Australia, Fenton Green & co., at [cpa@fentongreen.com.au](mailto:cpa@fentongreen.com.au) or the Policy's preferred broker in New Zealand, Apex Insurance, at [apexinsurance.co.nz/CPAmember](http://apexinsurance.co.nz/CPAmember).

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March 2020



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BENEFITS