

FINANCIAL PRACTITIONERS PROFESSIONAL INDEMNITY INSURANCE – FREQUENTLY ASKED QUESTIONS (FAQs)

1. Why do I need a Professional Indemnity (PI) policy?

We are human and mistakes do happen. If there is any act, error or omission in your profession which are exposed to claims from a third party, this policy can help to protect you financially against the hefty legal fees and compensation payments. At the same time, you will have peace of mind by having dedicated legal expertise to defend such allegations.

2. What am I covered for under a PI policy?

The policy will indemnify you against claims for any actual or even alleged breach of professional duty in the professional services regulated by Financial Advisers Act 2001, as specified in the Second Schedule of the Act. It will include all costs and expenses incurred in the investigation, defence or settlement of such claims.

3. What is a 'claims made' policy? How does it differ from an 'occurrence' policy?

A 'claims made' policy provides cover for claims which are first made against you and subsequently notified to the insurer during the period of insurance. The actual error (or alleged error) could occur at any time if there is retroactive cover, or otherwise it must occur during the period of insurance. You must not have had any prior knowledge of the fact, situation or circumstance before the period of insurance.

Whereas, in an 'occurrence' wording such as Public Liability policies, the circumstance must occur during the period of insurance whilst the notification of this event can occur at any time subsequently.

4. What is the retroactive date?

Retroactive date is the date after which acts, errors or omissions of the insured are covered. That is, any act, error or omission arising from work done after the retroactive date will be covered under the policy.

For your policy, the retroactive date is way back to your first date of providing the professional services covered under this policy. It means that this policy will cover you for all work you have done as a Financial Practitioner in the past provided you are not aware of any known claim and/or circumstance prior to signing up for the cover.

If the policy is cancelled, there is no protection from future claims arising from work undertaken in the past.

FINANCIAL PRACTITIONERS PROFESSIONAL INDEMNITY INSURANCE – FREQUENTLY ASKED QUESTIONS (FAQs)

5. What is the Period of Insurance for this policy?

This PI policy commences coverage for 12 months period effective from 1st January of each year to 31st December of the same year. Any new take up of such insurance cover will have a common expiry date of 31st December.

For the Policy Year 2016, the Period of Insurance is commencing on 1st January 2016 or any date which You submit your application to IFPAS. All cover expires on 31st December 2016.

Members who join this program after 1st June 2016 are entitled to 50% discount from the annual premium.

6. What is the Limit of Liability offered by this PI policy?

The Limit of Liability offered to each member is SGD 100,000 with a total aggregate Limit of Liability of SGD 5,000,000 for all members that elect to take up this insurance.

There is an excess of SGD 2,500 to be borne by each member for each and every claim.

7. What is the enhanced coverage in the latest version of PI policy?

Due to the internet presence of businesses today, you may be exposed to cyber liability claims from third parties when rendering your services by electronic means.

Cyber liability extension protects you in the event that you are sued for being legally liable to infringement of intellectual property copyright, trademark infringement, defamation, unintentional misuse of any information, virus transmission etc. This extension will be included in your policy free of charge.

8. Is this Policy covering any actual or alleged violation in regards to data protection laws or regulations i.e. Personal Data Protection Act 2012?

This PI policy can be extended to cover data breach fines and penalties which you are legally obligated to pay to a government authority or regulator (provided Beazley is not prohibited by law from paying).

This extension comes with additional premium as shown in the proposal form.

9. When and how should I notify a claim or potential claim?

It is essential that any claim or incident likely to lead to a claim should be notified immediately in writing to the Insurer. You may approach Beazley at the following contact details.

FINANCIAL PRACTITIONERS PROFESSIONAL INDEMNITY INSURANCE – FREQUENTLY ASKED QUESTIONS (FAQs)

Beazley Pte Limited
138 Market Street, #03-04 CapitaGreen, Singapore 048946
T: +(65) 6576 6288
F: +(65) 6636 1216

10. Who is the Insurer for this PI policy?

This insurance is underwritten by Beazley Syndicates at Lloyd's*. For more information about Beazley group of companies, please visit the official website at www.beazley.com

----- *END* -----

* Beazley Pte Limited is a service company that is part of the Beazley group of companies. Beazley Pte Limited is regulated by the Monetary Authority of Singapore in its capacity as a Lloyd's coverholder under the Lloyd's Asia regulations. Beazley Pte Limited has author to enter into contracts of insurance on behalf of the Lloyd's underwriting members of Lloyd's syndicate 623 and 2623 which are managed by Beazley Furlonge Limited which is authorized by the Prudential Regulation Authority and regulate by the Financial Conduct Authority and the Prudential Regulation Authority in the UK in its capacity as an insurer.

PLEASE NOTE THAT THIS FAQ IS DESCRIPTIVE ONLY. DO REFER TO THE FULL POLICY TERMS AND CONDITIONS FOR PRECISE COVERAGE DETAILS.