

FINANCIAL LINES

# PROFESSIONAL INDEMNITY INSURANCE SCHEME



ACE Jerneh

 MARSH

Every professional takes great pride in his work and strives to do his best but accidents are unexpected. An inadvertent error in professional services may cause severe financial impact.

Professional Indemnity Insurance is meant to cushion the impact of such losses by providing protection to the professional.

Under Section 510 of the MIA By-Laws (On Professional Ethics, Conduct and Practice), every MIA member in public practice is required to obtain Professional Indemnity Insurance with a minimum coverage of RM250,000 for each member/partner practice through which that member practices upon commencement of public practice.

The Malaysian Institute of Accountants (MIA) has appointed Marsh Insurance Brokers (Malaysia) Sdn Bhd as the insurance broker and consultant with regards to the MIA Professional Indemnity Insurance Scheme (PII) with effect from 1st July 2005. The PII Scheme is underwritten by ACE Jerneh Insurance Berhad (ACE Jerneh).



### e\*placement

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To further enhance the delivery of quality products and exceptional services to the members of MIA, ACE Jerneh, the underwriter of the scheme has specially designed an online web based application exclusively for the members. The e-placement is a technology framework linking the applicants, broker, and underwriter on an electronic platform. The e\*placement allows members to fill up proposals, obtain insurance quotation, issue the certificate of insurance / policy and at the same time make payment on line in the comfort of their office.

MIA members have been automatically registered as a user for this electronic online solution. An email with login ID will be sent to each individual member and in order to activate the account, members are required to click on the link provided. Thereafter, members could continue to purchase the professional indemnity insurance cover online.

### The MIA Professional Indemnity Insurance Scheme

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Features of the scheme:

- The Scheme provides cover from the minimum mandatory limit of indemnity of RM250,000 for a member/partner practice up to RM5,000,000.
- The number of members in public practice in a firm determines the mandatory limit of indemnity.
- Deductibles will be determined based on the gross fee band that is closest to the last Financial Year Gross fee as will be declared in the proposal form.
- Very competitive premiums which start off as low as RM331.50 (excluding 6% service tax) by using credit cards.

### The Coverage of The Professional Indemnity Insurance

- Broad Insuring Clause covers any Claim for civil liability in the conduct of the provision of professional services or advice customary to the profession of accountants in Malaysia.
- Cover includes Pro Bono Services.
- Full retroactive cover (from date of firm's establishment).
- Defense cost in addition to the limit of the indemnity up to an aggregate amount not exceeding 20% of the limit of indemnity specified in the Certificate of Insurance.
- Covers vicarious liability for any consultants, contractors, subcontractors and agents. Covers defamation.
- Covers intellectual property infringement.
- Covers liability arising from participation in joint ventures.
- Covers loss of document.
- Cover for fraud and dishonesty of principals and employees, until admission, judgements or adjudication.
- Cover for principals' previous businesses in the same profession (fully retroactive).
- Automatically covers newly acquired or created subsidiaries for 30 days.
- Covers run-off for Insured firms that have been merged, acquired or ceased.
- Continuous cover if continuously insured with ACE Jerneh.
- Covers cost of Legal representation at Inquiries.

### About ACE Jerneh

ACE Jerneh Insurance Berhad (ACE Jerneh) in Malaysia is a company of ACE Group, one of the world's largest multiline property and casualty insurers. With operations in 54 countries, ACE provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. ACE Limited, the parent company of ACE Group, is listed on the New York Stock Exchange (NYSE: ACE) and is a component of the S&P 500 index.

ACE Jerneh provides a comprehensive range of general insurance solutions for large corporates, small and medium-sized businesses, as well as individuals through a multitude of distribution channels. With a strong underwriting culture, ACE Jerneh offers responsive service and market leadership built on financial strength. It has a network of 23 branches and more than 2,000 agents.



## About Marsh Insurance Brokers (M) Sdn Bhd

As the leading global insurance broking and risk advisory firm, Marsh, a joint venture between Marsh Inc. and Zulayang Sdn Bhd, has been servicing clients in Malaysia since 1982. Marsh works with many successful multinational corporations, local Malaysian companies as well as Malaysian global ventures. We provide clients and partners a comprehensive range of insurance and risk management services for virtually every type of industry and profession.

Our 100 professionals, based in Kuala Lumpur and Penang, are dedicated to creating and implementing innovative risk management and insurance solutions to help clients succeed.

Marsh and its predecessor companies have been in Asia for nearly 60 years, with over 1,600 professionals in 12 countries. Marsh has been named “Broker of the Year” in Asia in 2005, 2007, 2008, 2009 and 2010 by the Asia Insurance Review, making Marsh the most awarded broker in Asia.

Marsh has unparalleled experience in servicing a wide variety of professions in Asia. Its Financial and Professional Practice (FINPRO) has a much-envied track record for finding innovative and cost-effective solutions to the risks financial institutions and professionals face. In addition to program design and placement, we provide advisory services such as claims advocacy, benchmarking, and industry trend analysis. Marsh provides support throughout the lifecycle, from understanding risk, program design, ongoing support, claims advocacy and renewal. Marsh understands that arranging insurance is only part of the picture. We also provide a high level risk profile assessment and gap analysis for management to make informed decisions.

Rather than simply reacting to the offerings of the insurer community, we spend the time and resources to develop market solutions.

As a testament to our innovative thinking, the FINPRO Practice of Marsh has provided clients with over 15 new products in the past several years, including:

- Cyber risk insurance
- Representations and warranties insurance
- Leader's preferred employment practices coverage
- Tax indemnity insurance
- Unauthorized trading coverage

Management and practitioners in these industries face substantial risks to their personal assets, as the world becomes more litigious. For these risks, Marsh offers unrivalled advice and broking services for the following range of special liability insurance solutions:

- Association liability
- Crime
- Defamation
- Directors' & Officers' liability
- Employment practices liability
- Errors and omissions
- Information technology insurance
- Investment managers insurance
- Medical malpractice
- Professional indemnity
- Prospectus liability
- Trustees' liability

In addition to FINPRO practices, we also have other specialized practices which include Power & Utilities, Marine & Energy, and Employee Benefit.

## CONTACT US

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**ACE insured** means being protected by one of the world's leading insurance companies with people who understand your risks and go out of their way to help.

The information provided in this brochure is a brief summary for quick and easy reference. The exact terms and conditions that apply are stated in the policy contract.

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