

How can you protect your business and personal assets if you find yourself facing a claim?

There is a simple insurance solution and is known as Management Liability Insurance.

Some of the features in the policies that we can arrange for you are:

#### Employment Practices Cover

Provides cover to the company, directors, officers and employees for claims made by current, past and prospective employees for issues arising from employment practices, harassment, unfair dismissal and other employment issues.

#### Statutory Cover

Covers the directors and the company for fines and penalties from operating the business including fines related to workers compensation.

#### Crime Cover

A comprehensive crime coverage provides cover to the company for dishonest acts such as theft and fraud by employees including theft of stock.

#### Corporation Entity Cover

Extremely relevant for companies that are owned by the directors by providing cover to the company for actions arising from managerial matters.

A claim against the company will cause the same financial hardship to the owner, therefore this cover is extended to provide protection to the company.

#### Directors and Officers

Will protect the past, present and future directors and officers plus anyone else involved in the management of a company for claims alleging a wrongful act and for which the company does not grant indemnification to such persons.

#### Superannuation Trustees Cover

Provides cover against mismanagement of funds or when a trustee responsibility breach occurs when a company has a sponsored staff superannuation fund.

Think about it.

**Management Liability Insurance  
doesn't just protect your business,  
it protects your backside. And that's the bottom line!**



**Moran Insurance Brokers Pty Ltd**  
ABN 52 006 191 180 | AFSL 231145

149-151 Cremorne Street  
Richmond South Vic 3121

Telephone: (03) 9427 0288

Facsimile: (03) 9427 0365

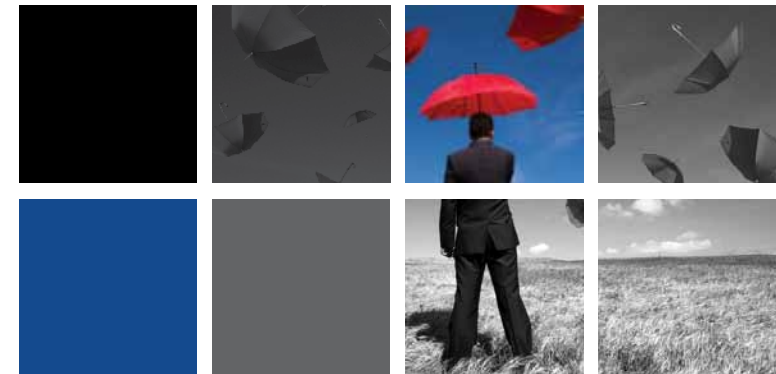
Email: info@moran-ib.com.au

[www.moran-ib.com.au](http://www.moran-ib.com.au)



\* Moran Insurance Brokers Pty Ltd is a shareholder of Steadfast Group Limited but acts independently to Steadfast and under its own licence. All claims examples referred to in this documents were provided by insurers of management liability policies. However, the entitlement to cover under any management liability policy will depend on a number of factors including the circumstances of the claim, the scope of the cover taken out, including features and benefits, and the policy limits. The content of this document, including any advice contained in it, has been prepared without taking into account your own circumstances, objectives or needs. Professional advice should be sought before any action is taken based on the content of this document.

Many companies,  
their directors  
and senior managers  
unwittingly allow themselves  
and their personal possessions  
to be exposed to litigation  
that is occurring more  
regularly than ever before.



Without adequate  
protection you could  
risk losing not only  
your business but also  
your personal assets.

This brochure outlines some real examples\* that show that dealing with disputes – no matter what the nature – means obtaining legal advice which often results in significant costs that can be crippling for businesses and individuals let alone any penalties or fines that may occur.

Think about it.

### Embezzlement by a trusted friend

He was a trusted friend and employee but over a 5 year period this loyal, efficient accountant misappropriated \$850,000 by altering cheques received from debtors.

Due to this trusting relationship the theft remained undetected for a long period of time by facilitating the fraud by continuing a cycle of paying debtors accounts from other debtors.

This continued until the scheme was uncovered by the company's newly appointed auditors.

Total loss to the company amounted to \$850,000.

There was no chance of recovery from the fraudster as he had no assets and had gambled away the stolen funds.

The investigation and legal costs totaled \$150,000.

Think about it.



### Employee Allegations

She was retrenched as part of a company wide reduction and commenced proceedings against the company and two managers alleging sexual harassment, wrongful termination and sex discrimination.

She made allegations against the Managing Director that he had inappropriately touched her and made abusive and sexually explicit comments.

And further alleged she suffered depression and now was unable to re enter the workforce due to her mental distress.

Her employer defended the claims but the company was ordered to pay the former employee \$60,000 plus her legal fees.

As well as paying \$30,000 in defence costs.

Think about it.

An apprentice builder on a construction site was inspecting drilling equipment and was severely injured when a pile of debris fell on him. He was airlifted to hospital but unfortunately died two days later.

A full Occupational Health and Safety investigation began which eventually led to the construction company being prosecuted. During the investigation, it was deemed that the company had failed in its duty of care to provide a safe work place for its employees.

Following a one day hearing, the company was found liable and was fined \$250,000. Plus overall defence costs incurred were \$80,000.

Think about it.

### Stolen Goods

A regular truck driver made an arrangement for the warehouse to be opened in the early hours of the morning due to his busy schedule.

Then over a two week period he stole stock to the value of \$320,000.

He was arrested, recovery sought but failed as proceeds had been gambled away.

There was no cover under a burglary policy as there was no forced entry.

The insured was able to claim under a Management Liability Policy which in the absence would have eroded half the company's annual profits.

Think about it.