

## Management Liability

In our increasingly litigious country there are a multitude of areas in which businesses need insurance protection. No longer is Liability about accidentally damaging someone's property, it is about fines, penalties, defence costs, class and individual actions and suits.

Many of the following items are covered in our individual Fact Sheets; please refer to these for more explanation.

- **Directors & Officers and Company Reimbursement**
- **Fidelity**
- **Employment Practices**
- **Statutory Liability**
- **Employers Liability**
- **Superannuation Trustees Liability**
- **Company Liability**
- **Cyber**

A Management Liability policy will bring many if not all of these into one cover, dependant on the insurer used. The extent of coverage does depend on the insurer however and you need to determine in consultation with your broker which is going to suit your business best.

This is an ideal type of product for Small to Medium Enterprises that need a simple risk management product that is going to cover their needs.

No business should be without this cover.

Apex can provide cover for all of your insurance needs, whether Liability, Property, Trade Credit, Marine or Accident and Health.

We tailor-make to your requirements dependant on your business needs.

## Claims examples:

### DIRECTORS & OFFICERS

A company went into liquidation owing significant sums of money to creditors. The matter progressed in the High Court whereby it was held that the directors were "trading recklessly" and found them personally liable under section 135 of the Companies Act 1993. The court awarded \$640,000 to the liquidators, including interest.

### STATUTORY LIABILITY

When an employee fell from a ladder the Department of Labour (now known as Worksafe) became involved following the claim made to ACC. The Department investigated and brought an action alleging a breach of the Health & Safety in Employment Act. The defence costs were \$45,000, the fine was \$25,000 and the reparation ordered was \$35,000. The company had cover for its defence costs and the reparation award under the Statutory Liability policy.

### EMPLOYMENT PRACTICES

A bar discovered that its newly employed bar manager had a history of gambling and alcohol abuse. He was responsible for the till and the alcohol in the bar. When the managers found out about his history they immediately terminated his employment for lying in his employment application. The bar manager took an action through the Employment Relations Authority against the bar for unfair dismissal. After consulting with the insurer, the bar decided to pay a settlement to the bar manager, rather than going through the courts, as there were issues over the procedural steps they took in terminating his employment. The legal costs amounted to \$8,500 and the settlement for hurt and humiliation was \$10,000.

To discuss further or for any queries, please contact your Apex Broker or our Technical Manager, Mark Robb:  
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