

New Policy Wording

Vero Liability strives to provide liability products which offer good value to policyholders. Following a review of our LegalEdge product we have made a number of improvements, clarifications and some future-proofing. A new wording is available and the changes will also flow through to our stand-alone policy wordings:

LegalEdge	VL POL LEGAEDGE-032022
SME Package	VL POL SME-032022
Public & Products Liability	VL POL PL-032022
Statutory Liability	VL POL STAT-032022

Summary of Changes

Section	Change
Section 1: Public & Products Liability	<ul style="list-style-type: none"> Included a new standard extension for Welding & Gas Cutting work Amended Forest & Rural Fires Act Memorandum to "Fire Protection Costs"
Section 4: Crime	<ul style="list-style-type: none"> Increased cover from Fidelity by upgrading to a new policy which extends cover for loss caused by acts of employees or other persons
Section 7: Liability Consequential Loss	<ul style="list-style-type: none"> Included a new section, which covers loss of business income resulting from any claim settled under section 1, 2 or 3 of the policy
Section 11: Work Care	<ul style="list-style-type: none"> Increased Event Limit to 10x Benefit = \$500,000 (previously \$100,000)
All sections:	<ul style="list-style-type: none"> Updated references for the Privacy Acts and other legislation Added a new standard definition for Act to each Section to future-proof wordings when legislative changes occur A standardised cancellation condition has been added to each section. Refunds are now fully pro-rated for the unexpired period of insurance

Frequently Asked Questions

When will the changes take effect?

The new policy wordings will apply to all new business and renewals from 1st August 2022. The quotations you receive will reflect the new wordings.

Do I have to do anything to get the new improved coverage for my client?

No. Your client's policies will be automatically renewed on the refreshed wordings, for the policies they have purchased.

My client's policy doesn't renew until next year. Will the cover be available to them?

Yes. All policies purchased will convert to the new versions of the upgraded wording on a "difference in conditions" basis up until the next renewal date. Enhancements will have immediate effect from the date of this communication and any claims arising between now and the next renewal date, will have the new wording applied.

Please note, the scope of cover under the new wordings will not override any specific policy terms, conditions and limitations imposed on your client's policies as underwriting provisions in the existing cover. Therefore, such policies will remain subject to those specific applied terms, conditions and limitations.

My client has a LegalEdge policy that doesn't currently have the Consequential Loss section. Will that new section be automatically available to them?

No. The "difference in conditions" is based on the sections of the policy that have been currently purchased by your client. The new Consequential Loss section along with other optional sections under the LegalEdge policy can be renegotiated with your VL underwriter at renewal.

Will the new wordings cost more?

No. There will be no additional premium required to upgrade the wording. At renewal all covers are reviewed with your VL underwriter as per the usual renewal process, but the premium will not be increased simply due to the new wording.

Want more information?

For full details of the changes, please refer to the Appendix on the following pages.

If you have any questions, please contact a VL underwriter who will be happy to assist.

For additional information on VL's products and services including people contact details, please visit our [website](#).

Section 1: Public & Products Liability		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Advertising Liability Memorandum	The words at the end of 1(d) in the memorandum "...and arising out of any advertising activities conducted by the insured or on the insured's behalf" are moved down to make it clear the words apply to all sub-paragraphs 1(a)-(d)	Cover now reflects underwriting intention and is slightly reduced
Forest & Rural Fires Act Memorandum	Amended to "Fire Protection Costs". Updated paragraph (a) due to repeal of legislation	The Forest & Rural Fires Act 1977 was repealed
Hazardous Substance Emergency Memorandum	Reference to the Fire Services Act 1975 has been removed	The Fire Services Act 1975 was repealed
Welding/Gas Cutting/ Burning Off/Use of Explosives memorandum	Now included as standard coverage. Cover is widened and the wording simplified. Previously available as an endorsement	Improvement
Aircraft, Watercraft and Vehicles Exclusion	Exclusion widened by adding the word "possession" after ownership	Cover now reflects underwriting intention and is slightly reduced
Welding/Gas Cutting/ Burning Off/Use of Explosives exclusion	An exclusion has been added	In association with new memorandum
Section 2: Employers Liability		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Definitions	Standard definitions of Limit of Indemnity and Schedule added	Clarification
Section 3: Statutory Liability		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Definitions	Standard definitions of Limit of Indemnity and Schedule added	Clarification
Anti-Money Laundering Exclusion	Anti-Money Laundering exclusion added. A write-back can be negotiated	Previously this was universally applied as an endorsement
Section 4: Crime		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
New coverage	Indemnifies the Insured for claims for loss of money or other property under the Insured's care custody or control due to dishonest or fraudulent acts of an Employee (or other person)	Improvement
Retroactive cover	This varied for Fidelity. Now 48 months maximum	Coverage broadened but please be aware of the possible change to the retroactive date

Changes to VL LegalEdge | Wording [LegalEdge-032022](#) effective 1 August 2022 (continued)

Section 5: Directors & Officers		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Definitions	Standard definitions of Limit of Indemnity and Schedule added	Clarification
Limit of Indemnity Section	The Limit of Indemnity is expressed as any one claim and in the aggregate during the Period of Insurance	Clarification of underwriting intention
Severability provision	A severability provision has been added to the wording. The definition of insured now has no reference to the cover being joint	Improvement
Section 6: Law Safe @ Work		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Deletion of legislative reference	Reference to Land Transport Act 1962 removed as Act repealed	Clarification
Insuring Clause 4 – Other actions	Deleted	This clause around discretionary cover caused confusion for customers, as far as how it was intended to operate. Cover potentially reduced
Insuring clause	Included reference to a Deductible in the Insuring Clause	Clarification
Definitions	Definition of Deductible added	Clarification
Definitions	Standard definitions of Limit of Indemnity and Schedule added	Clarification
Deductible	Added minimum deductible of \$500. Previously applied but not in wording itself	Clarification
Insuring clauses -2 (c) and 3 (c)	Addition of the words “and the prospect of a successful defence”	Present in insuring clause 1 (c). Brings consistency to the three insuring clauses
Exclusion 2 (b) Fisheries legislation	Now exclusion 5	For clarity
Exclusions 4, and 6	Deleted. These family disputes/personal exclusions are redundant as the cover herein is connected with the workplace	Clarification
Section 7: Liability Consequential Loss		
Change	Description	Benefit
New Section	Covers the Insured for financial loss suffered resulting from interruption or interference to the Business resulting from an accepted event under either Public & Products, Statutory or Employers' liability (Sections 1, 2 or 3)	Improvement. Not previously part of the LegalEdge package
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Deductible	Minimum deductible of \$1,000 or 10% of Claim	As per wording and schedule

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Section 8: Third Party Internet Liability		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance.	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Definitions	Standard definitions of Limit of Indemnity and Schedule added	Clarification
Section Name	Renamed "Third Party Internet Liability" to better reflect the cover provided	Clarification
Privacy Act reference	Now refers to the 2020 Act (rather than 1993)	Updated
Section 9: Defence Costs		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Future-proofs if there are legislative changes	Future-proofing
Definitions	Standard definitions of Limit of Indemnity and Schedule added for clarification	Clarification
Section 10: Employment Disputes (Optional)		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Definitions	Standard definitions of Limit of Indemnity and Schedule added for clarification	Clarification
Privacy Act references	Now refers to the 2020 Act (rather than 1993)	Updated
Section 11: Work Care (Optional)		
Change	Description	Benefit
Cancellation clause updated	Refunds are now fully pro-rated for the unexpired period of insurance	Improvement
Definition of Act added	Ensures legislative references stand the test of time	Future-proofing
Event limit Increased	The death benefit remains at \$50,000 but the Event limit is increased to 10 times the death benefit (\$500,000 in the aggregate)	Improvement
Definition of Employee	The definition of "employee" becomes "worker" as defined in the Health and Safety legislation and covers a wider group of people whilst they are engaged in work on behalf of the Insured	Improvement
Funeral Benefit	The funeral benefit is now \$10,000 not "up to" that figure	Improvement