



# PROFESSIONAL INDEMNITY INSURANCE

**2016 MINI POLICY FOR  
CPA AUSTRALIA MEMBERS**



## WHAT IS CPA AUSTRALIA'S MINI POLICY?

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Fenton Green & co. has arranged a professional indemnity insurance (PII) mini policy (mini policy) for CPA Australia members with QBE Insurance (Australia) Limited (QBE).

As well as providing competitive rates, Fenton Green & co. has streamlined the application process for eligible CPA Australia members. Members can apply over the internet using an online application form which is available at [fgonline.com.au/cpamp](http://fgonline.com.au/cpamp).

Acceptance is subject to the member having no known claim or circumstance that might give rise to a claim. This policy does not include cover for those members who cease to be in public practice and seek run-off cover.

### WHO IS ELIGIBLE?

The mini policy is designed specifically for those CPA Australia members who perform private and/or honorary accounting services as an individual, in their own name.

The mini policy is not designed for CPA Australia members who are in public practice, who hold a Public Practice Certificate, who advertise their services or who provide their services through a business entity.

### WHY DO I NEED PLL?

CPA Australia's By-Laws require any member who performs any type of accounting service to hold PII. This includes members who perform private and/or honorary accounting services.

This essential insurance provides protection to members against the damaging financial consequences that may arise from allegations of failing to observe a proper standard of professional care, skill or competence.

Even though the member must hold PII, obtaining cover via the mini policy underwritten by QBE is optional and CPA Australia members have the ability to source their own PII cover elsewhere.

## WHEN DO I NEED A MINI POLICY?

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This mini policy is only for members whose expected gross annual income from private and/or honorary accounting services is less than \$10,000.

Every CPA Australia member providing public accounting services shall (whether or not holding a current Public Practice Certificate or being entered on the retired membership list) hold current an enforceable policy of professional indemnity insurance that satisfies at least the minimum requirements set out in By-Law 9.8. This requirement also applies to members who offer private and/or honorary accounting services.

If your expected gross annual income from private and/or honorary accounting services is greater than \$10,000 you are required to hold a CPA Australia Public Practice Certificate and full PII coverage.

CPA Australia's Constitution, By-Laws and website provide guidance for Public Practice Certificate holders.

If you do not earn any income from the provision of pro-bono or voluntary accounting work undertaken in the community you can opt-in to a complimentary professional indemnity policy for CPA Australia members.

For further information visit the CPA Australia website at [cpaaustralia.com.au/insurance](http://cpaaustralia.com.au/insurance)

# COVERAGE

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## WHAT AM I COVERED FOR?

The mini policy offers protection against civil liability for breach of professional duty a member owes to his/her clients.

## WHAT AM I NOT COVERED FOR?

Private and/or honorary accounting services not covered by the mini policy include:

- auditing of any publicly listed company
- professional services in connection with the merger and/or acquisition of any publicly listed company
- any work undertaken on behalf of a publicly listed company
- receivership, insolvency and/or reconstruction services for any company
- business valuations of any company
- financial planning or dealing in securities

even if you expect to earn less than \$10,000 in gross annual income from private and/or honorary accounting services.

## THE POLICY ALSO DOES NOT COVER ANY:

- breaches of Part IVA of the *Income Tax Assessment Act*,  
or
- financial failure, liquidation, insolvency or similar occurrence of any superannuation fund.

If a member has a Public Practice Certificate, or earns more than \$10,000 gross annual income from private and/or honorary accounting services, or breaches CPA Australia's By Laws regarding the provision of accounting services, the member will not be covered.

# WHO IS QBE INSURANCE (AUSTRALIA) LIMITED?

ABN 78 003 191 035, AFS Licence No. 239545

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QBE Insurance (Australia) Limited is a member of the QBE Insurance Group, one of the top 25 insurers and reinsurers worldwide. QBE is Australian owned and operated, and provides all major lines of general insurance cover for personal and commercial risks throughout Australia.

QBE has a history of sustained and consistent performance over 120 years which can be attributed to our risk management credentials, track record of business stability, and the skill and expertise of our people.

## WHAT IS IN THE POLICY DOCUMENT?

Please read the policy document carefully for full terms and conditions. A full copy of the policy wording can be accessed via the Fenton Green & co. (ABN 14 074 776 631 AFSL 247258) website at [fgonline.com.au/cpamp](http://fgonline.com.au/cpamp) or by request from the broker. You must read the policy document before applying, to confirm that the policy meets your precise needs and ensure that you are eligible.

## EXCESS AND AGGREGATE LIMIT

The policy has an excess of \$1000 for each and every claim. The policy is subject to a limit of indemnity of \$500,000 for any one claim and in the aggregate for any one member. There is also an aggregate limit for all claims for all members insured under the scheme of \$20 million during the 12 month period of insurance. Once that aggregate limit is committed by QBE to all claims notified to them there will be no more cover available to any CPA member even though they may hold a current certificate of insurance under the Policy.

## HOW MUCH DOES THE POLICY COST?

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### OPTION 1

If you **do not** expect to earn any income from the provision of private and/or honorary accounting services, the premium is \$75 for applications completed online and includes the Premium, GST, Stamp Duty and the Policy Admin Fee. Apply online via the Fenton Green & Co. website at [fgonline.com.au/cpamp](http://fgonline.com.au/cpamp).

### OPTION 2

If you expect to earn income from the provision of private and/or honorary accounting services (but gross annual income of **less than \$10,000**), the premium is \$165 for applications completed online and includes the Premium, GST, Stamp Duty and the Policy Admin Fee. Apply online via the Fenton Green & Co. website at [fgonline.com.au/cpamp](http://fgonline.com.au/cpamp).

## DON'T DELAY, APPLY TODAY

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Applying for the mini policy is easy.  
Apply online at [fgonline.com.au/cpamp](http://fgonline.com.au/cpamp)

A policy schedule and certificate of currency will be issued upon policy payment.



### Fenton Green.

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