



# Evolution product profile



## DUAL's coverage

DUAL Evolution is a packaged suite of products specifically designed to address the complex needs of medium to large businesses.

It combines the tailored coverage of directors and officers (D&O) liability, employment practices liability, tax audit, statutory liability (SL) and supplementary legal expenses, and crime protection in one simple transaction.

Management liability insurance, designed for SMEs, provides an adequate risk transfer solution for businesses with turnover less than \$50 million. However, it doesn't adequately address the exposures of medium to large companies.

Further, unlike management liability insurance, our DUAL Evolution does not have an aggregate limit, meaning that a D&O claim will not erode the SL or crime limits (and vice versa).

Our specialist underwriters enable us to offer bespoke solutions, which can be tailored to a policyholder's unique risk profile. DUAL Evolution provides competitive pricing that is more cost effective than other separate policies and tailored to a policyholder's unique risk profile.

## Capacity available

**Directors & Officers:** up to \$10 million

**Employment Practices:** up to \$5 million\*

**Tax audit costs:** up to \$2 million\*

**Statutory Liability & Supplementary Legal**

**Expenses:** up to \$5 million

**Crime:** up to \$10 million

\*(part of, and not in addition to, Directors & Officers Liability).

## Our appetite

**We have a broad underwriting appetite for our DUAL Evolution product, with target markets including:**

- Publicly listed companies outside of the ASX100
- Private companies with turnover in excess of \$50 million

## What is covered?

### Directors & Officers liability

- Employment practices liability cover for insured persons
- Crisis costs
- Insured person tax liability
- Pollution defence and investigation costs
- Preservation of right to indemnity
- Reinstatement of the indemnity limit for insured persons
- New - panel counsel cover
- No major shareholder exclusion, no insolvency exclusion and no capital raising exclusion in the policy wording

# Features of cover

## What is covered?

### Employment Practices Liability (EPL)

- Includes cover for claims brought against employer by an employee
- Investigation costs for employment practices breaches

### Tax Audit

- Including ATO risk reviews
- Including tax audits by commonwealth, state and territory revenue offices
- Public relations expenses

### SL and supplementary legal expenses

- Work health and safety costs
- Crisis containment costs
- Pollution defence and investigation costs
- Prosecution costs
- Transport to and from work costs

### Crime protection

- Including internal and external frauds
- Access to a dedicated whistleblower hotline
- Contractual penalties resulting from an internal or external crime
- Extortion costs
- Future loss prevention costs



## Why DUAL?

### Uninsured exposure specialists    Claims expertise

DUAL Evolution has been designed specifically to provide comprehensive coverage and a broad underwriting appetite for private and publicly listed companies outside of the ASX100, with a turnover above US\$50 million.

### Simple delivery

DUAL's Evolution product is available through your local DUAL underwriter, who can provide a tailored solution.

Our dedicated in-house financial lines claims team includes qualified lawyers with over 40 years of experience. Our claims officers are dedicated to managing your claim from initial notification right through to resolution. In addition, we use specialist law firms and consultants with significant expertise in niche areas such as Employment Practices Liability (EPL), SL, crime, and tax audit, to ensure our insureds get the best possible outcomes.

# Proven claims experience

## Crime claims example

Agriculture  
450 staff  
\$170 million turnover

## Background

The insured discovered that a long standing contractor (who was also a former employee) had been misappropriating funds over a 6-year period by adding an additional 0 to his weekly contractor payments. The contractor was then creating fake invoices for fictitious purchases to conceal the fraud. The total stolen was quantified at \$9.8m.

## Response

The policy was triggered and cover was provided for the insured's direct financial loss.

## Payment total

- **\$1,000,000**  
(the insured's full indemnity limit)
- **\$40,000** loss investigator fees

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## D&O claims example

Retail  
141 staff  
\$75 million turnover

## Background

The policyholder commenced proceedings against a former director alleging that he entered into a transaction to acquire a subsidiary without approval of the board / company. The subsidiary did not perform well and eventually went into liquidation. The policyholder alleged the former director was responsible for any losses the policyholder sustained due to the subsidiary performing poorly.

## Response

The policy was triggered and indemnity was granted.

## Payment total

- **\$550,000** for settlement
- **\$300,000** for defence costs

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## SL claims example

Construction/building  
495 staff  
\$210 million turnover

## Background

The insured was prosecuted under the relevant occupational health and safety laws for not having adequate working processes and lack of safety protocols in place. An individual in the insured's care was injured whilst operating pulley machinery. The insured was prosecuted under the relevant WHS laws for inadequate working processes and a lack of safety protocols.

## Response

The policy was triggered as it was a prosecution against the insured. However, as the penalty is uninsurable by law, only defence costs were covered.

## Payment total

- **\$165,000** for defence costs
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## XS D&O claims example

Agriculture  
300 staff  
\$90 million turnover

## Background

The policyholder and numerous directors were subject to an investigation by the Independent Commission Against Corruption (ICAC). The ICAC investigation also led to other claims against directors alleging misleading and deceptive conduct.

## Response

The \$5 million limit of indemnity of the primary policy was exhausted. The excess layer policy was triggered in respect of both the investigation and claims.

## Payment total

- **\$2,900,000** settlement
- **\$950,000** defence costs

## Questions?

For further details on evolution, please contact your local DUAL underwriter.

## Helping you do more

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