



Recruitment Consultants Professional Liability

Recruitment professionals provide expert advice and a wide range of services to employer companies and job seekers. With rapidly changing employment laws and the skills shortage generated by the resources boom in Australia, companies are increasingly reliant on recruitment professionals to provide solutions for their individual employment needs. AIG Australia has designed a specific professional liability wording to cater for the unique needs of this profession.

Key Exposures

- Failure to perform necessary background checks, including police clearance, references and qualifications
- Placing an individual in a position to which they are not suited or have inadequate experience
- Vicarious liability arising out of the actions of on-hired employees
- Failure to ensure adequate workplace health and safety procedures are in place at the host employers premises
- Inappropriate candidate selection
- Acting outside of authority when negotiating on a client's behalf
- Erroneously passing on a candidate CV to an existing employer or to a third party candidate without consent
- Fraud and dishonesty of on-hired staff resulting in loss to a third party company

Covers

- Civil liability
- Misleading or deceptive conduct (including under the Trade Practices Act 1974, Corporations Act 2001, ASIC Act 2001 or similar provisions in the States' Fair Trading Acts)
- Intellectual property (including breach of copyright)
- Defamation





- Fraud or dishonesty of principals, partners, directors or employees (including theft of third party money or securities)
- Loss of documents cover up to the limit of liability
- Defence costs

Standard Extensions

- Court attendance costs
- 30 day extended reporting period
- Property cover for lost documents – no breach of duty required (sublimited to \$250,000)
- Previous business name
- Quasi judicial costs (sublimited to \$100,000)
- Joint ventures
- BusinessGuard Advisory Panel (providing limited free advice on matters which are relevant to the cover provided under this policy)

Optional Extensions

- Vicarious liability for on-hired staff
- Employment practices liability (covering claims by employees made against the policyholder, or any principal, partner, director or employee)
- Fidelity (covering financial loss of the policyholder as a result of fraudulent or dishonest acts committed by an employee)

Key Exclusions

Vicarious liability (unless the optional extension is purchased)

Limits

- Primary
- Up to \$25 million capacity

Underwriting Information

- AIG Australia professional liability proposal form
- Full claims experience, including full details of all paid and outstanding matters
- Start up operations will require resumés for all principals, partners or directors and details of their past claims experience

Target Market

Any firm that can demonstrate a positive approach to risk management.

AIG Australia

American International Group, Inc. (AIG), world leaders in insurance and financial services, is the leading international insurance organisation with operations in more than 130 countries and jurisdictions. AIG companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance networks of any insurer. In addition, AIG companies are leading providers of retirement services, financial services and asset management around the world. AIG's common stock is listed in the U.S. on the New York Stock Exchange as well as the stock exchanges in Ireland and Tokyo.



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