



Glossery of Terms

Claims Made Basis:

This means that you are covered for claims arising from incidents which occur whilst insured through a commercial insurer. Incidents which have occurred before the insurance took place and claims arising for those incidences are not covered. Also, should the cover expire for any reason, so too shall the retro-active cover expire. Any claim, of any nature arising related to the insurance, irrespective of the circumstances which have occurred, will not be covered. In other words the policy needs to be active and in force in order for claims to be entertained.

Retroactive Date:

No claims prior to this date will be entertained – If no previous cover has been enjoyed by the member, the retroactive date will be the inception date of the policy.

Aggregate Indemnity Limit:

The limit applies to a series of losses or any one loss, provided the claimed amount(s) does not exceed the chosen limit. E.g. you have an indemnity limit of R2 000 000, you have a claim for R1 000 000 and then for R500 000 you will still have R500 000 left for any other claims during the insurance period.

Per Claim Deductible:

The amount you are liable to pay in the event of a claim.

Run-Off Cover (ITOO offer 3 Years Run-Off cover for FREE) also known as the Extended Reporting Period:

Professional Indemnity or Medical Malpractice Insurance can be seen as "long tail" business, which means that potential claims do not necessarily manifest immediately or shortly after work has been completed. Claims or incidents may only come to light 2 to 5 years or more after work has been completed.

Run Off cover is essentially the same cover, but endorsed to only cover work performed up to the date the company or consultant ceased trading. It is important to note that when a company / consultant has ceased trading/operating they or their estate still remain responsible for claims / incidents which may come to light arising out of work already performed.

Run-Off professional indemnity insurance cover should be maintained whilst the professional liability to clients / patients runs off. It is important to understand that a professionals' duty does not necessarily end just because the business entity ceases to exist or because the consultant ceases to practice.

Malpractice:

shall mean any bodily injury, mental injury, illness, disease or death of any patient caused by Your negligent act, error or omission in or about Your occupation or business as stated in the Schedule

"Services":

shall mean all work performed for or advice given to Third Parties by You in the normal scope and conduct of Your occupation or business according to Your declaration to Us.

Services does not include any activity in respect of any property or **Products** manufactured, constructed, altered, repaired, repackaged, serviced or the treating of any **Products** sold, supplied or distributed by **You** or a **Third Party** on **Your** behalf. This will, however, not apply to the compounding, manipulation, preparation or packaging of any medicine undertaken in terms of the scope of **Your** occupation or business and governed by any Act governing the dispensing of medication provided **You** are licensed to do so

The Insurer agrees to indemnify **You** subject to the terms, **Exclusions** and **Conditions** of your **Policy** for **Claims** first made against **You** during the **Period of Insurance** for **Your legal liability** to pay **Damages** to **Third Parties** arising out of the provision of **Your Services** after the **Retroactive Date**, up to the **Limit of Indemnity**, subject to the **Excess** and as a result of

A. Malpractice

b) Errors and Omissions.

c) Any unintentional breach of confidentiality trust authority privacy whenever or wherever committed or alleged to have been committed, by You

d) Any defamation by You

e) Any dishonest, fraudulent, malicious or criminal act or omission committed by a person referred to as You provided that no indemnity shall be afforded to anyone committing or condoning such dishonest, fraudulent, malicious or criminal act or omission

f) The accidental destruction loss mislaying of or damage to, theft of or unintentional failure by You to prevent unauthorized access to, Third Party Documents or property entrusted to You or in Your custody and control

B. Costs and Expenses

They will also pay for Costs and Expenses (excluding FINES) up to the limit specified in the schedule

a) In connection with Claims falling to be dealt with in terms of the Indemnity clause above

b) Incurred by Us in assisting and representing You, or incurred by You in any regulatory or disciplinary enquiry or process provided the enquiry or process relates to Our undertakings as defined in the Indemnity clause above.