

Professional Indemnity Insurance Policy Supplementary Product Disclosure Statement including Endorsement to Policy Wording V.8

This Supplementary Product Disclosure Statement (SPDS) has been prepared 15 May 2011. It details amendments to the MDA National Professional Indemnity Insurance Policy V.8 and also provides information regarding the Financial Claims Scheme.

For your convenience the important Policy Wording amendments are listed in summary form below:

- To provide assistance with legal costs of internal disputes in relation to your involvement in a training program with a Medical College;
- To provide cover for the treatment of public patients in the public hospital with our written agreement;
- To update the cover for alleged breaches of the *Trade Practices Act 1974* (Cth) or any equivalent State or Territory fair trading legislation to take account of the new Australian Consumer Legislation: the *Competition and Consumer Act 2010* (Cth); and
- To specify that the actions of contractors or employees are not covered if they are outside the terms and conditions of an agreement (including a collaborative care agreement).

The amendments detailed in this document apply to policies commencing on or after 1 July 2011. This SPDS and Endorsement to the Policy Wording should be read in conjunction with the Combined Financial Services Guide, Product Disclosure Statement and Policy Wording V.8.

Amendments to the Product Disclosure Statement

1. On page 7 - Under the heading 'About the Professional Indemnity Policy'

Under the words 'The policy insures legal costs incurred in connection with:', an additional bullet point is added:

- 'You pursuing or defending an internal complaint or appeal arising out of your involvement with a training program approved by a medical college (clause 6(d)).'

2. On page 8 - Under the words 'The policy also covers defence costs incurred by you with our consent for'

The final bullet point is deleted and replaced with:

- 'Alleged breaches of the *Competition and Consumer Act 2010* (Cth) or the *Trade Practices Act 1974* (Cth) or equivalent State or Territory fair trading legislation arising out of the provision of healthcare services by you (clause 6(b)).'

3. Page 10 - Under the heading 'How much we insure you for'

The second bullet point is deleted and replaced with:

- '\$150,000 in the aggregate for defence costs arising out of each of the following: alleged breaches of the *Competition and Consumer Act 2010* (Cth), or the *Trade Practices Act 1974* (Cth) or equivalent State or Territory fair trading legislation (clause 6(b)), legal costs arising out of certain employment disputes (clause 6(c)); legal costs incurred in seeking an Apprehended Violence Order (clause 6(a)), and legal costs incurred in the pursuit or defence of an internal complaint in relation to your involvement in training with a Medical College (clause 6(d)).'

4. Page 17 - At the end insert the following:

'Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA). The FCS is intended to protect certain policyholders in the extremely unlikely event of an insurer becoming insolvent. A person entitled to claim under a protected policy may be entitled to payment under the FCS although access to the scheme is subject to eligibility criteria. Information about the FCS can be obtained from APRA at www.apra.gov.au or calling the APRA hotline on 1300 131 060.'

Policy Wording Endorsement - amendments to the Policy Wording V.8

1. Page 18 - Civil Liability - Clause 1

An additional paragraph is inserted after Clause 1(c) to read:

'1.1 When we have separately agreed in writing to do so, we will indemnify you under Clause 1 for the provision of healthcare services to a public patient in a public hospital.'

2. Page 20 - Legal Costs - Clause 6(b)

Clause 6(b) is amended to read:

- '(b) defence costs incurred by you with our prior written consent defending any allegation that you breached a provision of the *Competition and Consumer Act 2010* (Cth) or the *Trade Practices Act 1974* (Cth) or any equivalent State or Territory fair trading legislation but only if the alleged breach arises directly from the provision of healthcare services by you;'

3. Page 20-21 - Legal Costs - Clause 6(d)

An additional sub-paragraph is inserted after clause 6(c)(iii) as follows:

- '(d) legal costs incurred by you, with our prior written consent, pursuing or defending an internal complaint or appeal under the by-laws of a medical college arising out of your involvement with a training program approved by that Medical College;'

4. Page 22 - What we exclude from the policy

Clause 13.4 is amended to read:

- '13.4 the claim arises in any way out of the provision of healthcare services to a public patient in a public hospital except to the extent that we have confirmed you are indemnified in writing under Clause 1;'

Page 23 - What we exclude from the policy

Clause 13.7(a) is amended to read:

- '13.7 the claim arises from the acts or omissions of an employee, contractor or any other person when those acts or omissions were:
- (a) outside the terms and conditions of his or her employment, contract or agreement;'

Freecall: 1800 011 255 Web: www.mdanational.com.au

Email: peaceofmind@mdanational.com.au

Registered Office: MDA National, Level 3, 516 Hay Street, SUBIACO WA 6008

Dated 1 July 2011 315.1 May 11