

# Multimedia Liability Insurance

## Social Media Companies

### IMPORTANT NOTICES

For your protection under legislation, we are required to inform you of your duty of disclosure and draw your attention to the following important information.

### INTRODUCTION

The Insurance Contracts Act 1984 requires insurance companies to provide certain information to people intending to insure with them. The information concerns the duty of disclosure of an intending Insured and the effect of particular types of clauses in a proposed insurance policy. Where an Insurance Broker is involved in the transaction, the information is to be provided by the broker. The Insurance (Agents and Brokers) Act 1984 also requires us to inform you about some other matters where they are relevant to particular policies.

### WHAT INFORMATION DOES AN INSURANCE COMPANY/BROKER HAVE TO GIVE YOU?

In general terms, the kind of information, which an insurance company/broker must give you, is as follows:

#### YOUR DUTY OF DISCLOSURE

Before you enter into a contract of general insurance with an Insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, that is relevant to the Insurer's decision whether to accept the risk of the insurance, and if so on what terms.

You have the same duty to disclose those matters to the Insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty, however, does not require disclosure of matter:

- that diminishes the risk to be undertaken by the Insurer,
- that is of common knowledge,
- that your Insurer knows or, in the ordinary course of his business, ought to know,
- as to which compliance with your duty is waived by the Insurer.

#### NON-DISCLOSURE

If you fail to comply with your duty of disclosure, the Insurer may be entitled to reduce his liability under the contract in respect of a claim or may cancel the contract.

If your non-disclosure is fraudulent, the Insurer may also have the option of voiding the contract from its beginning.

#### CLAIMS MADE INSURANCE

Your attention is drawn to the fact that if the Professional Indemnity section of this policy is selected, the cover will be placed on a "claims made" basis which means that claims first advised to you (or made against you) and reported to your insurer during the Period of Insurance are recoverable irrespective of when the incident causing the claim occurred, subject to the provisions of any clause relating to a "retroactive date".

You should also note that, in terms of the provisions of Section 40(3) of the Insurance Contracts Act 1984, where you give notice in writing to the Insurer of facts that might give rise to a claim against you as soon as is reasonably practicable after you become aware of those facts (but before the insurance cover provided by the contract expires) then the Insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the Period of Insurance cover provided by the contract.

#### RETROACTIVE LIABILITY

The policy may be limited by a retroactive date stated in the schedule. The policy does not provide cover in relation to any claim arising from any actual or alleged act, error, omission or conduct that occurs before the commencement of the policy, unless retroactive liability cover is extended by Underwriters.

#### LIABILITY ASSUMED UNDER AGREEMENT

Cover provided by this form of liability insurance does not cover liability which you have agreed to accept unless you would have been so liable in the absence of such agreement.

#### UTMOST GOOD FAITH

In accordance with Section 13 of the Insurance Contracts Act 1984 (Cth), the policy of insurance is based on utmost good faith requiring Underwriter(s) and the proposer / insured(s) to act towards each other with the utmost good faith in respect of any matter relating to the insurance contract.

#### PRIVACY NOTICE

Please refer to our privacy policy for further details, it is available on our website, [www.delphicinsurance.com.au](http://www.delphicinsurance.com.au).

Please note that your duty applies also when you seek to renew, extend, alter or reinstate a policy.

Alternatively, if you have any query about whether information needs to be disclosed, please contact our office.

## INSURANCE FOR SOCIAL MEDIA COMPANIES

### APPLICATION FORM

#### INTRODUCTION

The purpose of this application form is for us to find out who you are and to obtain information relevant to the cover provided by the policy. Completion of this application form does not oblige either party to enter into a contract of insurance. Insurance is a contract of utmost good faith. This means that the information you provide in this application form must be complete, accurate and not misleading. It also means that you must tell us about all facts and matters which may be relevant to our consideration of your application for insurance. Any failure by you in this regard may entitle us to treat this insurance as if it never existed. If a contract of insurance is agreed between you and us this application form will form the basis of the contract.

Important: Insuring Clauses 1 - 4 of this policy provide cover on a claims made basis. Under these insuring clauses any claim must be first made against the insured and notified to us during the period of the policy to be covered. These insuring clauses do not cover any claim arising out of any actual or alleged wrongful act occurring before the retroactive date.

#### HOW TO COMPLETE THIS FORM

Whoever fills out the form must be a principal, partner or director of the applicant firm and should make all the necessary enquiries of their fellow partners, directors and employees to enable all the questions to be answered. Once you have completed the form please return it directly to your insurance broker.

If you require any extra space to complete the answers to questions contained within this application form please continue your response in the additional information section at the back of the form.

### SECTION I: COMPANY DETAILS

- 1.1 Please state the name and address of the principal company for whom this insurance is required. Cover is also provided for the subsidiaries of the principal company, but only if you include the data from all of these subsidiaries in your answers to all of the questions in this form:

Insured company:	
_____	
Contact name:	
_____	
Address:	
_____	
_____	
_____	
Telephone:	Email address:
_____	_____
Fax:	Website:
_____	_____

- 1.2 Please state when your company was established:

DD / MM / YY

- 1.3 a) How many directors / officers / partners are there in the company?

- b) Please show the details of all partners / directors:

Name	Years in position	Years experience	Qualifications
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____



2.3 Do your activities include event or conference organising?

Yes  No

If 'yes', please provide details of the type of events organized below:

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2.4 Do your activities include the sale of any tangible goods or products (i.e. excluding software or services)?

Yes  No

If 'yes', please provide details below:

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2.5 Do your activities include filming on location in an area to which the public have access?

Yes  No

If 'yes', please provide details below:

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2.6 Do your activities include rigging or set construction?

Yes  No

If 'yes', please provide details below:

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2.7 Do any of your employees engage in manual work?

Yes  No

If 'yes', please state the percentage of your overall payroll that relates to manual work:

%

2.8 Do any of your employees work at a height in excess of 10 metres?

Yes  No

If 'yes', please provide more details below:

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2.9 Please list all of your current public facing URLs:

URL	Nature of website	Stage of development (e.g. alpha, beta, live)	Estimated current monthly unique visitors	Estimated monthly unique visitors over the next 12 months

2.10 Please detail which of the following data types you collect:

- Credit or debit card details  Yes  No
- Social security numbers  Yes  No
- Credit history or ratings  Yes  No
- Medical records or health information  Yes  No
- Customer bank records or details  Yes  No
- Third party corporate confidential data  Yes  No

## SECTION 3: RISK MANAGEMENT

3.1 Do you have a written procedure for ensuring all appropriate licensing fees are paid with respect to any third party content that you use (e.g. music, video, etc.)?  Yes  No

If 'no', please provide details:

3.2 Please provide the name of the law firm you consult in respect of your social media activities, including content review procedures and complaints handling:

3.3 Is all advice adhered to?  Yes  No

If 'no', please explain under what circumstances:

3.4 Has your business concept been subject to full legal review?  Yes  No

If 'yes', please detail any qualifying remarks:

3.5 Do you have written notice and takedown procedures to either edit, remove or respond to offending, inappropriate, inaccurate or infringing content?  Yes  No

3.6 What process do you have in place for moderating user generated content (UGC)?

- All UGC moderated prior to publication       All UGC moderated post publication       All UGC reactively moderated in response to community feedback

3.7 Do you use any digital fingerprinting software to automatically identify similar content to that which has already been subject to an infringement notice?  Yes  No

3.8 Do you trademark your proprietary products?  Yes  No

If 'no', please explain why:

3.9 Do you seek explicit consent from all third parties before selling or sharing their personally identifiable data?  Yes  No

3.10 Do you have a privacy policy and terms of use on your website?  Yes  No

If 'yes', has it been legally reviewed?  Yes  No

If you have answered 'no' to either of the above questions, please explain below:

3.11 Do you have a specific policy for managing all "opt-in"/ "opt-out" marketing requests?  Yes  No

If 'no', then please explain:

3.12 Do you ensure parental consent is obtained before collecting personal information on minors?  Yes  No

3.13 Do your internal IT systems comply with all of our minimum security requirements detailed below?  Yes  No

- Anti-virus software must be installed on all desktops and servers (excluding database servers) and updated on at least a weekly basis;
- All external network gateways must be protected by a firewall;
- All critical data must be backed up on at least a weekly basis;
- All back-ups should be stored in a secure location offsite or in a fireproof safe; and
- The integrity of all back-ups should be verified on at least a monthly basis.

If 'no', then please explain:

3.14 In the event of a system interruption (including web downtime), what is your maximum estimated daily financial loss?   
 Note: This figure will set the maximum limit for your system business interruption cover.

3.15 Do you ensure that all sensitive data is encrypted while standing and during transmission?  Yes  No

3.16 Do you outsource the handling of sensitive data to any third party?  Yes  No

**SECTION 4: PROPERTY & BUSINESS INTERRUPTION INSURANCE**  
 Only complete this section if you require this cover.

4.1 Please state the address of the premises to be insured (if different from the address given earlier):

PREMISES 1

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

  

PREMISES 2

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Please continue on a separate sheet if more than 2 premises are to be insured.*

4.2 Please detail below any other party (such as a bank or building society) whose financial interest in the premises should be noted on the policy.

Name of party: \_\_\_\_\_

Interest of party: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

4.3 Are all of the premises:

- a) Constructed with external walls of brick, stone or concrete and roofed with slate, tiles, concrete, metal, asbestos or any other non-combustible material?  Yes  No
- b) Free from cracks or other signs of damage that may be due to subsidence, landslip or heave and have not previously suffered damage by any of these causes?  Yes  No
- c) In a good state of repair?  Yes  No
- d) Self contained with a lockable entrance door?  Yes  No
- e) Protected by an intruder alarm that is subject to an annual maintenance contract?  Yes  No

*NOTE: We may refuse to pay a claim if all of the devices for the security of your premises (including locks and the intruder alarm) are not put into full and effective operation whenever the premises are closed for business or left unattended.*

- f) Heated by a conventional electric, gas, oil or solid fuel heating system?  Yes  No
- g) Fitted with electrical installations which are inspected at least every 5 years by a qualified electrician and any defect remedied?  Yes  No
- h) Lifts, boilers, steam and pressure vessels inspected and approved to comply with all of the statutory requirements?  Yes  No
- i) Sprinklered, either fully or partially?  Yes  No

*NOTE: Assuming you have answered 'yes' to questions g) and h) above, it is important to keep records of all relevant inspections as we may ask for evidence of these before paying a claim.*

If you have answered 'no' to any of the above questions then please give further details:


**SECTION 5: INSURANCE REQUIREMENTS**

5.1 Please provide details of your current or required insurance policies (unless you are already insured with CFC):

Type of insurance	Inception/ expiry date	Limit of liability	Deductible	Premium	Insurer	Retroactive date (if known)
Media liability:	MM / YY	_____	_____	_____	_____	MM / YY
Professional indemnity:	MM / YY	_____	_____	_____	_____	MM / YY
Cyber/privacy liability:	MM / YY	_____	_____	_____	_____	MM / YY
Employers' liability:	MM / YY	_____	_____	_____	_____	N/A
Public liability:	MM / YY	_____	_____	_____	_____	N/A
Property:	MM / YY	N/A	_____	_____	_____	N/A

5.2 Please detail the amounts to be insured below for each premises (complete only if you require property cover):

*NOTE: The amounts insured you state below should be the full rebuilding or replacement cost in each of the categories. If you understate these amounts you will be under-insuring and we may not pay the full amount of your claim. It is therefore essential that these amounts are as close to the true values of the insured items as possible.*

ITEM	AMOUNT INSURED PREMISES 1	AMOUNT INSURED PREMISES 2
Main building:	_____	_____
Landlord's fixtures & fittings and tenant improvements:	_____	_____
All items at your premises or in a secure alternative location <sup>1</sup> :	_____	_____

<sup>1</sup> If some of your contents are stored in a secure alternative location (such as a hosting facility) please list these alternative locations in question 4.1.

5.3 If you have portable electronic equipment (such as laptops, cameras, video equipment) that is either permanently or temporarily away from your premises please state the total value of these items:

Please also state the approximate percentage of the time that these items are away from your premises:

 %

5.4 If you have contents other than portable electronic equipment which are either permanently or temporarily away from your premises please state the total value of these items:

Please also state the approximate percentage of the time that these items are away from your premises:

 %

5.5 Please detail the amounts to be insured below for business interruption cover (complete only if you require this cover):

Note that the maximum indemnity period available is 12 months. You should bear in mind how long it will take you to re-commence trading at another premises when stating the amount insured and indemnity period.

We provide our business interruption cover on a 'Flexible First Loss' basis – please specify a total amount insured for business interruption cover. This amount applies regardless of whether your business interruption loss is loss of revenue, costs and expenses, loss of research and development expenditure, project delay costs or outstanding debts. This often enables a smaller total amount insured to be specified and therefore often results in a cheaper premium.

ITEM	AMOUNT INSURED	INDEMNITY PERIOD
Business interruption cover ('Flexible First Loss'):	<input type="text"/>	<input type="text"/> Months

## SECTION 6: CLAIMS EXPERIENCE & INSURANCE HISTORY

6.1 Regarding all of the types of insurance to which this application form relates AFTER FULL ENQUIRY:

- a) are you aware of any loss or damage, whether insured or not, that has occurred to any of the companies to be insured (or to any existing or previous business of the partners or directors of any of the companies to be insured) within the last 5 years, or
- b) are you aware of any circumstances which may give rise to a claim against any of the companies to be insured or any partners or directors thereof, or
- c) have any claims or cease and desist orders been made against any of the companies to be insured, or partners or directors thereof, or
- d) have any partners or directors of the companies to be insured been found guilty of any criminal, dishonest or fraudulent activity or been investigated by any regulatory body, or
- e) has there ever been an unforeseen outage to your website for more than 3 hours?

With reference to questions a, b, c, d and e above:

Yes  No

If the answer to the above is 'yes' then please attach full details including an explanation of the background of events, the maximum amount involved or claimed, the status of the claims or circumstances and any reserves or payments made by you or by insurers, and the dates of all developments and payments.

## SECTION 7: DECLARATION

- I declare that after proper enquiry the statements and particulars given above are true and that I have not mis-stated or suppressed any material fact.
- I agree that this application form, together with any other material information supplied by me shall form the basis of any contract of insurance effected thereon.
- I undertake to inform underwriters of any material alteration to these facts occurring before the completion of the contract.

Signed: \_\_\_\_\_ Full name: \_\_\_\_\_

Position held: \_\_\_\_\_ Date: DD / MM / YY

ADDITIONAL INFORMATION: