



# SAIA MEMBERS LIABILITY INSURANCE

## SAIA'S CORE FUNCTION

To protect our members, stakeholders and the public as the official regulating body of the auction industry. It is our responsibility to ensure our members have the correct cover in place in case of a claim.

## THE IMPORTANCE OF THE INSURANCE

Insurance is a risk transfer. Liability claims are very much on the increase in South Africa and consumers become more litigious. Having professional indemnity and commercial crime cover gives the consumer confidence in the organization they are dealing with.

## THE BENEFITS TO SAIA MEMBERS TO USE RBW

We have appointed RBW as our preferred brokers. They have extensive knowledge and have designed an all-encompassing basket of cover for our liability exposures as auctioneers. This is a very unique offering where all liability needs for auctioneering have been addressed. There is no such single policy available in the market today. That and given the scalability of the scheme RBW have managed to offer extremely low premiums.

## THE MINIMUM COVER REQUIRED

R 2 500 000 for PI and Commercial crime are the minimum covers required. With legal costs increasing and court awards having any lesser cover could leave the auctioneer exposed to large losses. The guideline on buying liability cover is to purchase the maximum you can afford.

Robin Baird Wright is SAIA's preferred insurance broker that handles all quotations and enquiries.

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[www.rbwib.co.za](http://www.rbwib.co.za)



ROBIN BAIRD WRIGHT  
Insurance Brokers

The SAIA membership runs from January to December (annually) and it is required that insurance should also be taken out annually and must be valid for the full period of the SAIA membership. Monthly payments are a huge risk and concern for SAIA and can unfortunately not be accepted, as non-payment could leave a member uncovered and exposed in the event of a claim.

## FIDELITY GUARANTEE/COMMERCIAL CRIME (CC)

A commercial crime policy offers protection to the auctioneer against fraud and/or dishonesty committed by employees whether acting alone or in collusion with others, with the intent of personal financial gain while causing financial loss to an employer. It covers several different types of crime coverage such as Theft, Dishonesty or fraud, Third party computer fraud, Extortion, Forgery or alteration coverage and Money and securities coverage.

## PROFESSIONAL INDEMNITY (PI)

Like any other professional, auctioneers provide a professional service that comes with an expectation of a certain level of professionalism and specialist knowledge. When things go wrong, the auctioneer may well be held accountable for any financial losses with legal action, and professional indemnity insurance is designed to mitigate the effects of such actions.

The coverage focuses on alleged failure to perform on the part of, financial loss caused by and error or omission in the service or product sold by the policyholder. These are causes for legal action that would not be covered by a more general liability insurance policy which addresses more direct forms of harm. This policy provides for the defense cost, including when legal action turns out to be groundless. Coverage does not include criminal prosecution, nor a wide range of potential liabilities under civil law that are not enumerated in the policy, but which may be subject to other forms of insurance.

**PLEASE NOTE: FIDELITY GUARANTEE & PROFESSIONAL INDEMNITY INSURANCE IS COMPULSORY FOR ALL SAIA MEMBERS.**

## PUBLIC LIABILITY (PL)

Provides cover for death, injury or damage to third party persons or property, but excludes claims arising out of property damage whilst in the care, custody or control of the insured or for which the insured is responsible.

## DIRECTORS & OFFICERS (D&O)

This type of liability insurance covers directors and officers for claims made against them while serving on a board of directors and/or as an officer. In effect, the policy functions as "management errors and emission liability insurance", covering claims resulting from managerial decisions that have adverse financial consequences.

## CYBER INSURANCE

Is a product used to protect businesses from internet-based risks, and more generally from risks relating to information technology infrastructure and activities.