

Directors & Officers Liability Insurance

Turbulent economic conditions have created unprecedented liability risks for today's corporate directors and officers. The threat of litigation and investigation is growing across business and industry segments – and the legal, financial and personal consequences for corporate leaders and their companies can be enormous.



Challenges

- Increasing number of investigations by supervisory, regulatory and enforcement authorities into possible violations of regulations. Eg. Foreign Corrupt Practices Act (FCPA) or Bribery Act or similar.
- Increase in investors and/or shareholders proceedings against directors and officers after company settlement with investigation authorities.
- Merger and acquisition related securities claims are also on the rise.
- Rising number of suits filed against companies globally, mainly alleging breach of fiduciary duties, accounting fraud and financial misleading statements.
- Economic uncertainty is driving increased scrutiny, regulation and litigation.
- Personal assets, careers and reputations of directors and officers are at increased risk.

Coverage highlights

Our market-leading Directors & Officers (D&O) policy provides unbeatable coverage with the following highlights:

- Extradition costs including overseas travel and accommodation, also applicable for families.
- Derivative demand investigation costs.
- Environmental mis-management cover, including greenhouse gases and other climate change related issues.
- Indemnity costs for shareholder derivative claims – and plaintiffs fees for derivative claims.
- Change in control – entitlement to purchase an extra seven years of coverage discounting the unearned premium from the policy.
- Insured person has the right to acquire extended reporting period.
- Lifetime extended reporting period for retired or resigned directors and officers.
- Additional limit for kidnap response costs (K&R).
- Arrest and detainment or incarceration in a foreign jurisdiction.
- Difference in conditions clause.

- Most favourable terms to the insured person provision.
- Broad coverage for pre-claim events, including self reports.
- Self report coverage.
- Corporate employees' wages.
- Run off cover for executives of past subsidiary companies.
- First settlement offer.
- Retention can be insured by captive.
- Claims notified in previous Zurich policy that were not covered or were not accepted at the time are not excluded.
- E-discovery costs.
- Local compliant policies or Financial Interest Cover (FINC) available.

Our solutions

We offer a suite of enhanced, tailored management liability products to meet the changing needs of directors and officers. Our dedicated market-leading coverages for large and middle market sized companies, public and private include:

- Directors and Officers Liability Insurance.
- Side-A primary and excess D&O insurance with difference in conditions and limits.
- Pension Trustee Liability Insurance (PTL).
- Public Offering of Securities Insurance (POSI).
- Employment Practices Liabilities Insurance (EPLI).
- Commercial Crime Insurance.
- Freedom of Service Programs.

Why choose Zurich?

We have the experience to get it right for you. Our International Programs from Zurich (IPZ) capabilities have allowed us to issue:

- More than 650 Financial or Professional Lines programs, with more than 5,000 local policies in over 180* countries and growing.
- Compliant Directors & Officers policies in over 135 countries around the globe, and growing.
- Local Employers Practices Liability Insurance and Commercial Crimes policies in over 90 countries, and growing.
- Local Pension Trustee Liability policies in over 10 countries, and growing.
- In 2010, Zurich issued 464 international D&O programs with over 1,460 locally compliant D&O policies for our customers around the globe.
- Our global network of dedicated Financial Lines claims professionals have the expertise to respond and deliver when and where it matters most. When a claim arises a local dedicated claims expert will be assigned who understands the local language and legal landscape and has experience of resolving similar claims to ensure a positive resolution.

To find out more speak to your broker
or visit
www.zurich.com/globalfinanciallines

* Countries and territories as defined by International Standards Office (ISO)

† Source: Zurich internal system data, 2010

This is intended as a general description of certain types of insurance and services available to qualified customers through subsidiaries within the Zurich Financial Services Group including, in the United States, Zurich American Insurance Company, 1400 American Lane, Schaumburg, Illinois 60196 and, in Canada, Zurich Insurance Company Ltd., 400 University Avenue, Toronto, Ontario M5G 1S9, and, outside the U.S. and Canada, Zurich Insurance Plc, Ballsbridge Park, Dublin 4, Ireland; Zurich Insurance Company, Mythenquai 2, 8002 Zurich, Switzerland; Zurich Australian Insurance Limited, 5 Blue Street, North Sydney, NSW 2060, Australia and further legal entities, as may be required by local jurisdiction.

Your policy is the contract that specifically and fully describes your coverage. In contrast, the description herein gives a broad overview of coverages and programs and does not revise or amend a policy or program. Certain coverages are not available in all jurisdictions. Some coverages in the U.S. may be written on a non-admitted basis through licensed surplus line brokers.
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