

Why choose Zurich for Directors and Officers liability insurance cover?

Reassurance you're in safe hands



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High-calibre directors and officers expect that D&O cover is in place before they take up a new appointment.

It's risky at the top

The directors and officers in your company are in a position of responsibility. Managers, directors and supervisors can face allegations and claims for which they may be personally liable. Even in a company with limited liability status, personal liability is unlimited.

Directors and Officers are under increasing scrutiny, and it is common place for allegations of wrongful acts to be made. Any allegations of wrong doing need to be investigated and defended, and this can cost a significant amount even if the case doesn't reach court.

This means directors and officers personal finances are at risk. So it's essential that companies provide protection with Directors and Officers liability insurance (D&O).

The reassurance of directors and officers liability insurance

Directors and officers insurance covers costs associated with the defence of an allegation of a wrongful act. This means it takes away the financial risks faced by directors and officers, giving them protection should an allegation or claim be made against them. Considering that even simple investigations can cost thousands, if not hundreds of thousands, of pounds, purchasing directors and officers makes financial sense.

A simple solution to a complex range of risks

Whichever sector your company operates in, your directors and officers face the same types of liability.

Why are individuals so vulnerable?

- Employees know their employment rights and are increasingly likely to sue.
- Legal liability is shifting away from companies and towards personal liability.
- Regulators are now more proactive in investigating companies.

What is a wrongful act?

- This could be a breach of trust, breach of duty, neglect, error, misleading statement or wrongful trading, committed or attempted by a director or officer whilst acting in this capacity on behalf of the company.

Why Zurich is first choice for directors and officers cover

With improved cover, Zurich gives your directors & officers the peace of mind they expect.

At the same time, we offer you value with highly competitive premiums and broad policy coverage. We can also tailor our D&O insurance to suit your company's individual needs.



If you want to make sure there are no gaps in your cover, ask your broker to tell you about Zurich's other products.

First-class claims service

When you choose Zurich for Directors and Officers liability insurance, you can have complete confidence in our ability to defend even the most complex claims. Handling D&O claims is a highly specialist area. With many years experience and a leading claims team, you can feel confident that we will have the best people working on your behalf.

- Our claims department employs qualified solicitors.
- We always aim to minimise disruption and loss for you.
- We ensure that each claim is dealt with proactively at the earliest stage, so it's resolved as efficiently and effectively as possible.

A reputation for financial stability

By choosing Zurich, you have the reassurance that you're protected by a well-established insurer, recognised for financial strength and stability. Our well-balanced portfolio of business protects us and our customers even in turbulent economic times. This is why we're the insurer of choice for millions of customers and thousands of companies worldwide.

Choose Zurich with confidence

- Over 130 years' experience.
- 60,000 employees worldwide.
- 7,000 employees in the UK.
- Service in more than 170 countries.

Claims can come from all directions

Failure to act in the company's best interests, harassment or negligence – there are hundreds of 'wrongful acts' that directors and officers can be accused of. They may not even be aware they've done anything wrong.

Employee claims

Unfair dismissal, failure to promote, negligent evaluation, harassment or discrimination – there are thousands of claims brought against directors and officers every year.

Regulators

Companies face investigation from legal bodies such as the Health & Safety Executive and Department of Trade & Industry and other industry-specific regulators, and the associated costs can be significant, even if no wrongdoing is proved.

Shareholders

Following some high-profile claims, shareholders now scrutinise the activities of directors ever more closely, and there are more requirements for transparency of directors' decisions.

European legislation

Directors and officers must ensure their company does not breach any European legislation, but with such diverse responsibilities it can be difficult to stay up to date on the latest directives.

Creditors/insolvency claims

These types of claims are being brought more frequently, and directors and officers can be singled out for such claims.

**Find out more about
Directors and Officers
liability insurance –
contact your
broker today.**

Consequences can be serious

All allegations and claims need to be strongly defended as the consequences for individuals can be extremely serious. Directors and officers can face:

- Disqualification
- Civil proceedings leading to a hefty fine, an award for damages or an injunction
- Criminal prosecution leading to fines and possibly prison.

Case Studies

These are real-life examples of claims where Zurich's directors and officers insurance has paid out.

An allegation of slander was made by a customer against an officer of a company (a clothing retailer). Allegedly comments were made by the manager in public, which supposedly damaged the reputation of the customer. A threat to take the manager to court was made unless a settlement was forthcoming, which was negotiated at £26,500 and covered under the D&O policy.

An employee was dismissed for gross misconduct after a violent altercation at work. The company Disciplinary Committee judged he had brought the company into disrepute and their decision was in line with the rules and procedures set out in the company handbook. The employee brought an unsuccessful claim for unfair dismissal and legal costs of £7,900 were paid under the D&O policy.

Prior to making an investment in a company, an investor was given details of the company's solvency and profit. Following the investment, it became clear that the solvency level and profit levels had been misrepresented. The directors had over-stated the company's financial position to encourage investment. The D&O policy paid out £10,000.

Zurich Insurance plc

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