

Financial Lines Claims



Zurich's Executive Risk Solutions policy is a claims made management liability policy which includes cover for financial loss including defence costs, damages, judgements and awards and settlements.

Section A: Directors' and Officers' liability

Protects directors and officers against claims and investigations arising from actual or alleged wrongful acts when acting in their managerial capacity. In addition, the insured company may be reimbursed to the extent it has lawfully indemnified any director or officer.

Section B: Corporate liability

Covers the liability of the insured company (as opposed to individuals) in respect of claims arising from actual or alleged wrongful acts committed by the insured company and/or its employees.

Section C: Employment practices liability

Provides coverage against claims by employees arising out of actual or alleged employment wrongful acts, including discrimination, harassment, failure to consult, and unfair dismissal.

Section D: Pension trustees' liability

For the benefit of pension trustees in respect of a claim alleging a wrongful act in areas such as breach of trust, breach of duty, breach of statutory provision, or any other wrongful act committed or allegedly committed in relation to a pension scheme.

Section E: Crime

Affords risk mitigation by offering the insured protection against loss of assets, money, securities, and goods arising from crimes such as employee dishonesty, computer and funds transfer fraud, forgery, and social engineering.

Let us introduce ourselves!

The Zurich Financial Lines Claims team, based in London, is made up of insurance and legal professionals experienced in handling management liability claims, including D&O, Corporate Legal Liability, Employment Practices liability, Pension Trustee Liability and Commercial Crime risks.

Our team of dedicated claims experts are there from first notice to final resolution and are committed to servicing the specific needs of your business.

We operate a relationship driven approach meaning you will have a dedicated claims expert with ownership for all of your claims allowing greater understanding of your business.

We strive to provide a market leading claims proposition, meaning our claims adjusters are trusted and empowered to make decisions to drive good customer outcomes.

Our Financial Lines Claims team are regularly exposed to some of the largest and most complex claims in the market.

We are leaders in our industry, providing insight and thought leadership to help shape the wider claims landscape. Underpinning our claim service, we work according to our overall Zurich Claims Commitment.


Details can be found here:

<https://www.zurich.co.uk/business/claims/zurich-claims-commitment>

N.B The information provided in this brochure does not amend, change or replace any policy language or specific requirements/duties within your policy documentation.

The policy wording can be found here:

[Executive Risk Solutions Insurance | Zurich Business](#)



Our team of dedicated claims experts are committed to servicing the specific needs of your business.

For general enquires or to notify us of a claim please email:

[professionalandfinancial.
lines.newclaims@uk.
zurich.com](mailto:professionalandfinancial.lines.newclaims@uk.zurich.com)



Service Excellence

We have a proactive and flexible approach to settlement of claims, ensuring that they are settled as quickly as possible and minimising any disruption to the insured and the business.

We have access to a network of specialist panel solicitors with the preferential agreed rates for defence work for our customers. The benefit of using panel solicitors means that costs savings may be achieved, which can help protect the limit of indemnity.

The use of panel solicitors ensures that we are appropriately consulted in relation to the conduct of claims, which avoids potential breaches of policy terms and conditions. Our panel solicitors are used to reporting to Insurers/Insureds and acting under a dual retainer.



SME Claims Trends 2023 and Zurich Insights

- **Environmental, Social, Governmental (ESG)**
We expect this could lead to further regulatory changes and related claims as more pressure is put on companies (including SME's) to prioritise their ESG agenda.
[January 2023 update Environmental, Social and Governance considerations for Directors and Officers \(zurich.co.uk\)](https://www.zurich.co.uk/insights/january-2023-update-environmental-social-and-governance-considerations-for-directors-and-officers)
- **Recession and insolvency**
Historically, we have seen that times of financial uncertainty and recessions lead to more insolvencies and in turn more D&O claims.
[With insolvency increasing at an alarming rate, what are the implications for Directors?](#)
- **Crime and increased opportunity for fraud**
Businesses are not the only ones feeling the pinch. Motivation and opportunity for fraud has significantly increased in recent years.
[Employee theft jumps by a fifth | Zurich UK News](#)



Key principles of the ERS Policy

The policy operates on a claims made and notified basis and will provide cover for claims made against the insured during that policy period.

It is important for us to be kept informed and updated on any potential matters by disclosing circumstances at the inception of the policy/during the policy period or during renewal discussions. This reduces the possibility of any innocent non-disclosure issues.



Key points to remember

You **must** obtain written consent from Insurers before any:

- Defence costs are incurred
- Legal representation is retained to defend a claim, or any steps are taken in connection with any legal proceedings that may be covered by the policy
- Offer is made or accepted
- Admission of liability
- Claim is settled
- Tell us as soon as reasonable possible upon learning of a circumstance or receiving verbal or written notice of any claim/employment claim or of any insured person being required to attend an investigation (under Sections A-D) or upon discovery of loss under (section E).
- Take all reasonable steps to defend a claim and not do anything which may prejudice Insurer's position such as admitting liability.
- Notify us as soon as possible during the period of insurance if there is any change in circumstances which materially increases the risk of accident, injury, loss, damage or liability.
- Ensure verification checks are carried out when payment requests are made to prevent fraudulent activities.
- Request that the insured acts as 'prudent uninsured' whilst we investigate matters.

Financial Lines Claims



If you receive a potential claim

Refer to your policy wording so that you can comply with its claim notification requirements. These can be found under 'Claims conditions' of the Executive Risk Solutions Policy.

You will then need to provide written notice of your claim to our claims department at the following address:
professionalandfinancial.lines.newclaims@uk.zurich.com



What is a circumstance?

It is a fact/event that has occurred which may reasonably be expected to give rise to a claim (as defined). This may not be specifically defined in the policy.

It is important for brokers/insured to notify us of any circumstances in line with the specific provisions of the policy in the event a claim is received.



What to include in a notification

To provide us with a chronology of all the events along with a brief summary of the background to the claim.

The date allegations were first made against the individual or insured entity.

The nature of the allegations.

The insured's relationship to the third party making the allegations.

Any response made by the insured to the third party's allegations.

If a letter of demand or a letter alleging a wrongful act has been received, please attach a copy.

If proceedings have been issued, please provide us with a copy of those proceedings along with any other court documents.

If solicitors/specialists have been instructed to respond to or defend the matter please provide us with their details, hourly rates and budgets for work.

Copies of any investigative reports or correspondence that will help us understand the claim.

In the event the insured seeks to make a claim in line with the Crime section of the policy, the insured will need to provide us with details of the fraudulent act that took place, details of the alleged perpetrator, details of the alleged loss along with documentary evidence in support of the insured's alleged loss (including material on any verifications checks carried out).

Upon receipt of the notification, we may need to raise further enquiries as part of our investigation.



Policy requirements for notification

There has to be a 'circumstance' of which the insured is aware and is reasonably likely or expected to give rise to a claim or actual 'claim' made.

The insured must make a valid notification to us in line with the policy requirements and specific provisions of the policy.



Timing

You must notify us as soon as reasonably possible.