

# Management risks insurance.

## Background

We have been at the forefront of developing directors and officers liability, entity and employment law protection for over twenty years. Most of our 'pioneering work' has concentrated on providing insurance solutions for private limited companies and limited liability partnerships, being the first insurer to introduce policies for these types of business.

## Target business

- Established companies
- Management buy-outs / buy-ins
- New start-ups
- Companies seeking a share placing / stock exchange listing / external investment
- Companies on the acquisition trail
- Companies in financial difficulties or undergoing restructuring

## Scope of cover

Having specialised in this sector for so long, we have designed protection that is relevant and focuses on the real risks:

- Running the company
- Complying with legislation
- Employing staff

Traditionally policies have been issued under separate arrangements, but our management risks approach now caters for these three areas under one comprehensive policy; with each insuring clause providing 'stand alone' limits of indemnity.

### **Directors and officers ('D&O')**

**Including PR crisis management for the director or officer\***

- The legal liability of directors or officers of the company
- Legal costs and expenses in respect of:
  - Any investigations
  - The defence of any legal action seeking disqualification of a director
  - Extradition proceedings (including appeals)

It also covers the company where it is obligated to reimburse its directors and officers under the terms of its constitution.

## Entity defence ('entity')

Including PR crisis management for the entity (company)\*

Provides cover for the entity's legal costs and expenses in respect of:

- Identity fraud
- Investigations
- Corporate manslaughter
- Breach of contract
- Pollution
- Taxation
- Data protection

## Employment law protection:

Including employer helpline and assistance\*

Provides protection for:

- Legal liability following an employment dispute
- Legal costs and expenses in respect of employment or health and safety investigations

## Tailor the cover

Whilst we would strongly recommend that, wherever possible, you should seek to arrange comprehensive protection by effecting all three insuring clauses, we are willing to consider providing the D&O and ELP covers in isolation. Unlike some insurers, all of our covers are based upon the same 'broad form' wording, regardless of size.

## Take a closer look

Here are some examples of potentially grey areas which we address under the different sections of our policy:

### D&O

- No standard exclusions in respect of '1 v 1' (where one director sues another director) or major shareholder claims
- Corporate manslaughter
- Environmental proceedings
- Extradition proceedings
- Retired directors
- No allocation

### Entity

- Breach of contract (goods and services)
- Tax investigation
- Corporate manslaughter

### ELP

- No 'TUPE' exclusion\*\*

## Take a closer look

- D&O for clubs and societies
- D&O for residents associations
- Not-for-profit management liability
- Pension fund trustees liability
- Fidelity

\* Please refer to the policyholder services section on the Markel website for further information

\*\* Please refer to the TUPE condition within the policy wording

This is not a policy document and contains only general descriptions and illustrations.

Policyholders must refer to the actual policy issued for the binding terms, conditions and exclusions of cover.