
Your cover in a nutshell:

Directors' and officers' liability insurance is specifically designed to protect the directors, officers and employees of an organisation. Directors' and officers' liability insurance covers defence costs and awards made against your directors, officers and employees following claims arising from actions undertaken in their capacity as your director, officer or employee. We will pay for claims made during the period of insurance, up to the limit of indemnity shown in the schedule. We will also pay for legal defence costs incurred with our agreement for covered claims. These costs are included within the limit of indemnity.

The limit of indemnity you select may be on an each and every claim basis or an aggregate basis – your policy schedule will indicate which applies. An 'each and every claim' basis means that each individual claim has its own limit of indemnity although multiple claims arising from the same cause will be treated as a single claim. An 'aggregate' basis means that the limit of indemnity applies to the total of all claims made against insured persons during the period of insurance.

Key benefits: what risks are insured persons protected against?

We will pay for:

- claims for breach of duty, breach of trust, negligence, defamation, breach of warranty of authority;
- allegations of involuntary, constructive or gross negligence manslaughter or claims under health and safety legislation;
- legal representation costs for individuals at other official examinations, enquiries or investigations;
- claims arising from pollution.

In the event that the limit of indemnity is exhausted, we may provide further defence costs cover, as stated in the schedule, to an individual that has not previously been the subject of a covered claim, provided that the limit of indemnity was exhausted by an unrelated claim.

If we or you decide not to renew the policy for any reason other than non-payment of premium, administration or insolvency, any insured person can purchase an extended notification period of 12 months upon payment of 50% of the full annual premium. The extended notification period, if purchased, does not extend the period of insurance.

Significant or unusual exclusions and limitations:

Cover is restricted to the business activities you have told us your business undertakes and that we have agreed to insure, which are carried out within the geographical limits of the policy, as stated in your policy schedule.

We will not cover any claim, loss or investigation:

- following the acquisition of the company or resulting from any public offering of your share capital unless agreed by us;
- brought by any company owning 15% or more of your company's shares;
- or anything likely to lead to a claim, loss or investigation, which you knew about or ought reasonably to have known about before the policy started;
- relating to deliberate or dishonest acts. Unless, the claim relates to any financial advantage to which the insured person was not entitled, this exclusion will only apply after a judgment, other final adjudication or admission by you, or if a Queen's Counsel is of the opinion that there are no reasonable prospects of the court finding that such act did not occur;
- arising from a breach of a professional duty, unless the claim is made by any of your shareholders arising from failure to supervise the performance of professional services;
- brought in the United States of America by you, an organisation that is not for profit or in which you hold any issued share, or an insured person, other than for certain types of claim;
- brought outside the applicable courts stated in the schedule.

We will also not make any payment:

- unless you notify us promptly of any problem that may lead to a claim, loss or investigation;
- to any insured person who had knowledge of a material misstatement in or omission from the information provided to us upon which we agreed to insure you.

We may reduce any payment we make equal to the detriment we have suffered if you admit that you are liable or make any offer without our prior written agreement.