

Management liability – directors and officers’ liability insurance for publicly traded companies

Policy summary

Policy wording ref: WD-MLP-UK-AGG-DOPLC(3) 16016 11/20

Key benefits: what risks are you protected against?

Directors and officers’ liability insurance covers your directors, officers, employees and other insured persons for investigations and claims made against them as individuals during the period of insurance as a result of the performance of their duties for you. There is also cover for certain claims brought against your organisation. We will pay up to the limit of indemnity shown in the policy schedule, including the legal costs incurred with our agreement to defend covered claims and investigations.

We will pay for claims and investigations against an insured person arising from:

- breach of duty, breach of trust, negligence, defamation, breach of warranty of authority;
- a breach of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974.

We will also pay:

- for investigations under the provisions of the Corporate Manslaughter and Homicide Act 2017 or the Health and Safety at Work etc. Act 1974;
- for claims arising from pollution brought by any shareholder of yours;
- for investigations and defence costs only arising from pollution, other than where the claim is brought by any shareholder of yours;
- the costs to reduce the likelihood or consequence of an investigation;
- the costs incurred to make a compulsory notification to an official body;
- for claims arising from the management of or response to a cyber attack or other cyber event;
- for claims against an insured person, including any claim by data subjects relating to personal data, based on a loss or misuse of data as a direct result of a cyber attack, a hacker or that insured person’s own unintentional error. However, we will not cover defence costs for such claims;
- for costs over and above the limit of indemnity where that limit has been used up by another insured person.

We will also pay for health and safety, manslaughter and securities claims that are brought against your organisation.

In certain circumstances, you or an insured person may apply to purchase an extended notification period of up to three years for an additional premium. Where we agree to provide an extended notification period, this would cover insured persons for claims and investigations made during the extended period arising from acts occurring before the end of the original period of insurance.

Significant or unusual exclusions and limitations:

We will not make any payment on behalf of any insured person if that individual had knowledge of a material misstatement in or omission from the information provided to us upon which we agreed to provide this insurance.

We will not cover any claim, loss or investigation:

- arising out of any dishonest or fraudulent act by an insured person. This will only apply for claims or securities claims against you, into your business or an insured person where the act or omission was committed or condoned by you or the insured person. This will only apply after a judgment or other final adjudication or an admission that such act did occur;
- in relation to any public offering of your securities that exceeds the value shown on your policy schedule, other than a failed public offering of your securities;
- arising from your requirement to clean up any pollution;
- following any acquisition, merger or take-over of you;
- in relation to any subsidiary which increases your total gross assets by more than 50% from the amount stated in your last annual report and accounts;
- arising out of a cyber attack, hacker, unintentional error in any computer or digital technology, social engineering communication, or any claim by a data subject relating to personal data arising from such item or event. This does not apply to claims covered under the specific cover for loss of data from a cyber incident or where the claim is brought by a shareholder or creditor directly due to the insured person’s management of or response to the incident;
- brought by any injured party for bodily injury or property damage, other than in relation to a breach of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974.

Please read the policy for details of terms in full.



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