

DIRECTORS & OFFICERS LIABILITY (D&O) AND EMPLOYMENT PRACTICES LIABILITY (EPL) INSURANCE

As the long-term market leader in broking professional indemnity insurance for Independent Financial Advisers, we are very familiar with the risks faced by IFAs and are well placed to provide advice on the insurance needs of firms operating within the financial services industry. D&O covers both legal costs and damages associated with the defence of a wrongful act committed by directors undertaking their everyday duties. **In addition, D&O policies will pay investigation costs incurred by directors as part of regulatory investigations and, as a new development, the costs and damages of directors and/or the company itself associated with EPL claims.**

As recognised experts in the broking of specialist liabilities, we have been working closely with a variety of insurers to make the availability of this valuable cover both simple and affordable. As a result, we are now in a position to arrange D&O and/or full EPL based on a short-form proposal with a fast turn-around (subject to receipt of satisfactory information) and **at premium levels that can be below £400** (provided your firm meets key insurer criteria). Limits of indemnity of £250,000, £500,000 and £1,000,000 are readily available, with higher limits catered for on request. In most cases, policy excesses are nil.

Since the publication of the Cadbury Report the onus of responsibility faced by the directors and officers of companies has never been greater or more publicised. The report highlighted, in great detail, the duties and consequences faced by senior people when making or carrying out key (or even every day) decisions. As directors and officers, their personal liability is unlimited and extends to their estate on death.

Corporate legislation that must be adhered to is both extensive and complex. The directors and officers of companies are expected to be familiar with all aspects of the Companies and Insolvency Acts and operate within their boundaries. Failure to appreciate the importance and consequences of such legislation could put the individual's own personal assets at risk.

Such legal actions are potentially lengthy and costly. They may be brought against directors and officers from many sources such as shareholders, investors, insolvency practitioners and creditors. **For those directors and officers (including, in most cases, Approved Persons) of companies regulated by the Financial Services Authority there is the added threat of costly investigations and, possibly, legal actions being brought by the regulator itself.**

The number and size of EPL claims, such as discrimination and harassment in the workplace, have been increasing for many years due to ever-expanding legislation and awareness. The cost of defending such claims can prove damaging to companies and their directors and officers, no matter what their size.

Please find attached the short-form D&O/EPL proposal form for completion and return to us, by post or fax. Once received, we will undertake to confirm as soon as possible what terms are available.

So, if you are not insured can you really afford not to be?.....And, if you are already insured elsewhere, we can probably save you money.

We very much look forward to hearing from you.

DIRECTORS & OFFICERS LIABILITY (D&O) AND EMPLOYMENT PRACTICES LIABILITY (EPL) INSURANCE

Benefits Summary

Depending on the policy you select the PYV package may include:

- Investigative costs associated with an investigation by the FSA, environmental bodies or any other regulatory or government institution
- Broad cover for damages awarded against directors and officers resulting from their day-to-day activities, including breach of statutory duty
- Defence costs
- Cover for the directors and, if required, the company itself for damages and costs incurred in defending employment practices issues
- Policies cover directors and officers of the insured company and its subsidiaries
- Premium cost can be below £400 for 12 months cover
- No excess
- Limits of £250k, £500k, £1m or higher, on request
- Quick turnaround based on presentation of minimal information
- Industry-focused specialist insurance advice

DIRECTORS & OFFICERS LIABILITY (D&O) AND EMPLOYMENT PRACTICES LIABILITY (EPL) INSURANCE

Proposal Form

Please include with this form a sheet of your current HEADED notepaper, which can also be used to supplement areas where you may have insufficient space to answer a question and where you are required to provide details.

1 COMPANY DETAILS

Name of company

Is it a Private Limited Company? Yes No

Main office address

 Postcode

Registered address (if different)

 Postcode

Are the shares solely owned by the directors? *If No, please provide details* Yes No

Company activity

Turnover for the last financial year £

Net profit for the last financial year £

Shareholder funds shown in the last audited accounts £

Does the Company have any assets or subsidiaries in, or turnover generated from the USA or Canada? Yes No

Have claims been made against any past or present Director or Officer of the Company or its Subsidiaries? Yes No

Is the proposer aware, **after enquiry**, of any circumstance which may give rise to a claim? Yes No

Is cover required for claims against the Company in respect of Employment Practices Liability claims? Yes No

If Yes, please confirm the number of employees

Full-time Part-time

Do you currently hold D&O or EPL? Yes No

If Yes, please provide the following details:

Current renewal date / / Insurer name

Limit £ Excess £ Premium £

Limit of Indemnity required £250,000 £500,000 £1,000,000 Higher £

2 DECLARATION

I declare that I am authorised to complete this proposal on behalf of the Company and that, to the best of my knowledge and belief, the statements and particulars in this proposal are true and correct and no material facts have been suppressed or mis-stated. I undertake to inform Insurers of any change to any material fact which occurs before any insurance based on this proposal is effected and acknowledge that this proposal, together with any other information supplied to Insurers (including any Statement of Fact, if required) shall be the basis of such contract.

Signature of Proposer Name
(Partner/Director)

For and on behalf of Date / /
(insert name of business/firm)