



HOLFIN
INSURANCE BROKER

DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE

Directors and officers can be held personally liable for alleged mismanagement of a company.

Increasing scrutiny of corporate behaviour and a claim-friendly legal environment have accelerated claims made against directors for the quality of managerial act. Allegations may include breach of duty, neglect, breach of contract, breach of employment legislation, etc.

Whether your company is a start-up, small-to-medium sized enterprise or a large corporation, regardless how diligent your managers are, managerial errors may appear. Managers face growing threats from legal and regulatory liabilities.



These could result in costly investigations, criminal prosecutions or civil litigations, which can have serious financial repercussions for both, managers and company.

Directors' and Officers' (D&O) Insurance provides essential financial protection for directors and officers against the financial consequences of actual or alleged managerial errors.

As business insurance experts, we can tailor insurance solutions for all types of companies, regardless their size and complexity. We can build bespoke insurances around your unique needs and work with major insurance providers to acquire the appropriate cover at competitive quotes.

What does D&O Liability insurance cover?

Directors and officers (D&O) liability insurance protects the personal assets of corporate directors and officers, in the event they are personally sued by employees, vendors, competitors, investors, customers, or other parties, for actual or alleged wrongful acts in managing a company.

The insurance not only covers the personal liability of company directors and officers but also the reimbursement of the company in cases where it has paid the claim of on behalf of a director or employee in order to protect them from a third party.

D&O Liability insurance covers the cost to defend lawsuits, as well as any settlements or judgments that arise out of your managerial mistakes.

Why do you need D&O Liability insurance?

- ✓ To protect the personal assets of directors and officers.
- ✓ To protect the financial position of the company.
- ✓ To attract and retain qualified outside directors.
- ✓ To avoid diverting management attention to protracted and costly litigation.

Common causes for liability claims against D&O

The common causes for D&O liability include:

- Claims by employees, alleging harassment, discrimination, and wrongful termination.
- Claims by clients, and consumer groups, alleging commercial practices, contract disputes, misleading statements and false advertising.

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Safer future. **Better lives.**



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- Claims by competitors, alleging unfair competition, and infringement of patent, trademarks, and trade secrets.
- Claims by shareholders/lenders, alleging breach of managerial duties, misrepresentation and inadequate or inaccurate disclosure in financial reporting.

What is the limit of liability?

An important choice for your D&O liability insurance is the limit of liability. The limit of liability is the maximum that the insurance company will pay in the event of a claim. The higher the limit of liability, the higher your insurance premiums will be.

When purchasing a D&O liability policy, you also should consider the deductible associated to the insurance product. The deductible is the amount of a claim you are responsible for paying before the insurance company's coverage takes effect. Deductibles are a form of risk sharing, and provide a financial incentive for you to take actions to reduce the risk of indemnity claims.

What can we do for you or your business?

- ✓ Provide you with free and impartial specialist advice concerning risk management and cover options
- ✓ Provide you with the right insurance product which best suit your specific needs, helping you to:
 - ✓ Minimise your exposure to risk
 - ✓ Save your time and money
- ✓ Manage your insurance policies, timely informing you about the relevant aspects
- ✓ Manage your claims, provide assistance and representation in front of insurance partners
- ✓ Give you peace of mind that you are protected for things that matter to you

Why you should choose us?

- ✓ Our services are based on technical expertise and robust business knowledge, underpinned by complete understanding of your specific needs
- ✓ We have access to a large range of insurance providers allowing us to offer bespoke insurance solutions with the best value for you - both in terms of cover and price
- ✓ We think holistic and act responsible. We believe that respect and integrity are vital to building and maintaining trust and good long term relationships

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