



International Financial Lines | United Kingdom



Why choose AIG for D&O?

This marketing material is intended for insurance brokers and other insurance professionals for their information.
For full terms, conditions and benefits related to AIG products, please refer to the policy and associated documents.

For full pdf features, please view in Adobe Acrobat.

We are a world leading D&O insurer with a trusted global brand and successful track record of over 40 years writing D&O insurance.

World-class protection



Cover for individuals includes:

- Civil and Criminal defence costs for alleged wrongful acts
- Professional representation for investigations and interviews
- Preparing and responding to raids/site visits by regulators
- Disqualification and extradition cover including PR costs
- Costs to fight proceedings to confiscate property or freeze assets.
- School fees, mortgage and utility payments for the director.
- Health and safety cover and cover for retired directors



Cover to reimburse companies 'costs of defending its directors including:

- Civil and criminal proceedings about the purchase or sale of securities
- Civil claims brought by security holders about the holder's interest in the securities
- Crisis and cover for PR costs to minimise reputational damage after a claim or a crisis event



Management Liability packages including:

- D&O Side-A (DIC) Liability,
- Employment Practices Liability, Pension Trustee Liability, Public Offering of Securities Insurance,
- Fiduciary Liability, Crime and Fidelity, Kidnap, Ransom & Extortion

Cover highlights

Outstanding customer reach

We have a broad risk appetite for businesses and organisations of all sizes, across a host of business sectors:

Business type

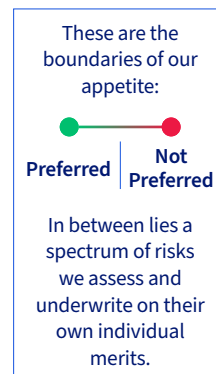
Publicly listed companies all business sectors*	●
Primary or excess positions	●
Additional Side-A (DIC) capacity, lead or excess	●
Private companies all business sectors* (package policies)	●
Not-for-profits, all tax-exempt organisations (package policies)	●
Government entities (primary or excess positions)	●
Multinationals	●

Out of appetite sectors

Cannabis businesses	●
Crypto currency activities	●

Positive client characteristics

Deep understanding of their D&O risks	●
Strong investor communications	●
Board level engagement with emerging risks	●
Robust risk mitigation capabilities	●



D&O MULTINATIONAL EXCELLENCE

We can issue D&O policies in over **200** countries and jurisdictions backed by outstanding claims expertise throughout the world. This means we can build and service robust and compliant global D&O programmes, ensuring no gaps in cover, wherever in the world clients are located.

RISK CAPACITY** UP TO:

£15M (GBP)

€15M (Euro)

\$15M (USD)

Working with AIG

To unlock our outstanding underwriting expertise and capabilities, please note these key requirements:



Minimum of 5 years' loss history



Detailed underwriting submission



Risk quality is the driver for risk selection

* All business sectors except cannabis and crypto currency

** Risk capacity: guide only - every case written on its merits
Subject to AIG's Environmental, Social and Governance (ESG) commitment



A trusted and reliable partner

Our dedicated claims teams handle thousands of D&O claims every year. Whatever kind of management liability claim clients face, we will have seen something similar before, so clients and their brokers are in safe hands when they need us most.

Global claims expertise

Our dedicated in-house Management Liability claims handlers have strong relationships with expert legal counsel throughout the world and are ideally placed to steer clients through the most complex legal and international exposures. Our deep understanding of claims trends can also inform effective, risk management strategies and reduce the risk of a claim in the first place.

Instilling confidence

D&O claims can be damaging to the company but can also damage individuals' reputations. Our claims adjusters are used to dealing with difficult, sensitive claims, providing solid, proven guidance whatever the scenario.

Working in Partnership

We work in partnership with clients and their brokers and encourage clients to meet with our claims adjusters before they have a claim. This helps establish positive relationships, identifies common claims issues and increases understanding of the claims process.



D&O CLAIMS EXCELLENCE

We have one of the insurance industry's largest Financial Lines claims teams with over **150** dedicated claims experts across our international region* now handling over **7,000** new D&O claims a year. Whatever kind of D&O claim clients face we will have seen something similar before – and know the best steps to take.

* International region excludes North America

D&O Claim Scenarios

CASE STUDY 1

Being subject to a D&O claim can be a challenging and disruptive experience. However big or small, our priority is to resolve a claim as quickly as possible, whilst providing our policyholders with personal and proactive support to get their businesses back on their feet.

Not only will we help when a claim occurs, but we will also help mitigate potential claims in the first place. Through our global claims data, fraud trend analysis and expertise around new exposures, we can help reduce and manage our clients D&O risks more effectively.

The scenarios described herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions and exclusions of each individual policy. Anyone interested in the above product(s) should request a copy of the standard form of policy for a description of the scope and limitations of coverage.



An insolvency claim is brought against the company's former board members by its former suppliers.

After our insured, a manufacturing company, had filed for bankruptcy, two of its former suppliers directed a EUR 1.5 million claim against the company's former board members. It was claimed that a balance sheet for liquidation purposes had not been prepared on time, that the board members had failed to comply with the Companies Act and so were personally liable for the company's debts.

The policy limit was EUR 1 million. After a proceeding was initiated and writs were exchanged, settlement discussions were held before the main hearing. AIG was deeply involved working closely with the defence counsel and the agreed settlement amount was EUR 400,000. This was considered a reasonable outcome under the circumstances. Defence costs were in the region of EUR 300,000.

As the claim amount exceeded the policy limit it was essential that the defence was handled cost efficiently. This allowed AIG's total payments for the claim (the settlement amount and the defence costs) to lie well within the EUR 1m policy limit.



D&O Claim Scenarios

CASE STUDY 2

Being subject to a D&O claim can be a challenging and disruptive experience. However big or small, our priority is to resolve a claim as quickly as possible, whilst providing our policyholders with personal and proactive support to get their businesses back on their feet.

Not only will we help when a claim occurs, but we will also help mitigate potential claims in the first place. Through our global claims data, fraud trend analysis and expertise around new exposures, we can help reduce and manage our clients D&O risks more effectively.

The scenarios described herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions and exclusions of each individual policy. Anyone interested in the above product(s) should request a copy of the standard form of policy for a description of the scope and limitations of coverage.



An AIG insured company makes a claim against an AIG insured person – the company's former managing director.

Our insured an energy operator brought a claim against a former managing director. It alleged that lack of proper controls and supervising mechanisms led to some energy contracts not being properly billed and invoiced to customers and a loss of profit over EUR 1.5 million. AIG swiftly confirmed defence coverage to the former director and we established a well-founded defence strategy in collaboration with the insured person's defence counsel.

The company brought the claim very quickly before court leaving limited time to explore an out of court resolution. However, by swiftly retaining knowledgeable defence experts and covering their fees (over EUR 90,000) as well as leveraging our vast experience in similar claims, we reached a settlement. This included the full release of the director's obligations by the insured company against a settlement payment of EUR 100,000 by AIG.

When an insured entity claims against an insured person establishing robust legal defence is key. Our deep experience of these claims is that an amicable out-of-court may be beneficial. This may be a full and final settlement that protects the insured person and saves management time.

D&O Claim Scenarios

CASE STUDY 3

Being subject to a D&O claim can be a challenging and disruptive experience. However big or small, our priority is to resolve a claim as quickly as possible, whilst providing our policyholders with personal and proactive support to get their businesses back on their feet.

Not only will we help when a claim occurs, but we will also help mitigate potential claims in the first place. Through our global claims data, fraud trend analysis and expertise around new exposures, we can help reduce and manage our clients D&O risks more effectively.

The scenarios described herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions and exclusions of each individual policy. Anyone interested in the above product(s) should request a copy of the standard form of policy for a description of the scope and limitations of coverage.



Criminal investigations by the Public Prosecutor's Office.

Three of our insureds were investigated by the Public Prosecutor for an alleged misappropriation of public funds which they had requested as directors on behalf of the policyholder. Coverage was confirmed for the directors' legal fees. Once the investigations were completed, the directors were all acquitted. Legal fees incurred by the directors amounted to EUR 800,000.

The criminal proceedings lasted only 9 months and the Public Prosecutor requested the dismissal of the proceedings for the directors, whose innocence had been proven. AIG's claims adjuster carried out a detailed evaluation of the legal fees which were deemed excessive. After negotiations between AIG and the defence lawyers we managed to reduce the legal fees to the benefit of the directors.

AIG's involvement involved early in the early stages of this claim gave us an excellent opportunity to negotiate the legal fees, which is very important in criminal proceedings where they can exhaust the entire policy limit.

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