

Allianz Insurance plc

Directors and Officers Liability

Policy Overview



Chartered

Allianz 

**LANSDOWN
INSURANCE
BROKERS**

Contents

Policy Overview	1
Directors & Officers Liability Insurance	3

Allianz Insurance plc is one of the largest general insurers in the UK and part of the Allianz Group, one of the world's foremost financial services providers.

With Allianz Insurance plc, you can be confident that you're insured by a company which is relentless in its commitment to protecting and serving you. You can trust us to insure your business, as we've been providing leading insurance solutions in the UK for over 100 years.

We will work in partnership with your insurance adviser to ensure you receive the highest levels of product and service excellence. Our technical experts understand how best to protect you against the risks your business faces.

If you need to make a claim you will be in safe hands. Our professionally trained staff aim to treat you, as you would expect, both promptly and fairly. By listening to you, and understanding your needs we will provide you with the most appropriate solutions to get your business trading again as quickly as possible.

Should you need further details or have any questions your insurance adviser will be delighted to help.



Policy Overview

This is a policy overview only and does not contain full terms and conditions of the contract of insurance. Some covers are optional and will only apply if you have selected them. Full terms and conditions can be found in the policy documents, a copy of which is available on request.

What is Complete Directors & Officers?

Directors and Officers Liability insurance provides financial protection for directors in terms of their personal liability when managing their company in their capacity as a director, officer or manager.

This policy is underwritten by Allianz Insurance plc.

What is the Policy Duration?

The policy has a 12 month period of insurance (unless shown differently on your policy schedule), and is annually renewable. Start and end dates of the policy are detailed in the policy schedule.

Will I have any cancellation rights?

You have a right to cancel the policy within a 14 day cancellation period and receive a return of premium paid, less an administration charge of £25 and an amount representing the cover you have received to date.

This is subject to certain terms and conditions, full details of which can be found in the policy wording. To cancel the policy, please contact the insurance adviser who arranged the policy.

Law Applicable

Unless agreed otherwise all aspects of the Policy including negotiation and performance are subject to English law and the decisions of English courts.

How do I make a complaint?

If you have a complaint about anything other than the sale of the policy please contact our Customer Satisfaction Manager at:

Customer Satisfaction Manager
Allianz Insurance plc, 57 Ladymead, Guildford, Surrey GU1 1DB

Alternatively:

Phone: 01483 552438

Email: accsm@allianz.co.uk

If we are unable to resolve the problem we will provide you with information about the Financial Ombudsman Service which offers a free, independent complaint resolution service.

The Financial Ombudsman Service
Exchange Tower, London E14 9SR

Website: www.financial-ombudsman.org.uk
Telephone: 0800 023 4567 or 0300 123 9123
Email: complaint.info@financial-ombudsman.org.uk

The European Commission has an online dispute resolution service for consumers who have a complaint about a product or service bought online. If you choose to submit your complaint this way it will be forwarded to the Financial Ombudsman Service.

Visit <https://ec.europa.eu/odr> to access the Online Dispute Resolution Service. Please quote our e-mail address: accsm@allianz.co.uk
Alternatively, you can contact the Financial Ombudsman Service directly.

Full details of our complaints procedure will be found in the policy documentation.

Financial Services Compensation Scheme

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities. Further information about compensation scheme arrangements is available at www.fscs.org.uk, by emailing enquiries@fscs.org.uk or by phoning the FSCS on 0800 678 1100 or 0207 741 4100.

How do I make a claim?

If you need to claim, your dedicated claims handler will help and guide you through the process.

You can notify us of a claim by: Telephone: 0344 893 9500.

Our claims helpline is available 9am to 5pm Monday to Friday.

Post: Allianz Claims
PO Box 10509, 51 Saffron Road,
Wigston LE18 9FP

Your Obligations

You must make a fair presentation of the risk at inception, renewal and variation of the Policy.

The premium is to be paid on request. Please speak to your insurance adviser about the options available for the payment of premium.

Please periodically review the policy documentation to make sure that it meets and continues to meet your needs and that you understand its terms, conditions, limits and exclusions. If you wish to make a change or if there is anything you do not understand please contact your insurance adviser.

Please tell your insurance adviser as soon as reasonably possible if there are any changes to your circumstances which could affect your insurance. If your circumstances change and you do not tell your insurance adviser, you may find that you are not covered if you need to claim.

You must tell us as soon as you can about any claim or incident that may lead to a claim. You or anyone claiming under this policy must not admit fault or responsibility, or pay, offer or agree to pay any money or settle any claim without our permission.

Directors & Officers Liability Insurance

Residents of a block of flats or residential property may have established a formal Residents' Association or Residents' Management Company. This may be to oversee the upkeep and maintenance of their property, but in certain circumstances may also involve financial and legal matters concerning the property.

In doing so, the members of such an association or company may act in the capacity of a director, company secretary, trustee, non executive director or other similar "officer" role.

These are positions of trust and individuals must act accordingly. They will be liable for any act which is negligent, outside their authority, or in breach of duty or trust.

Individuals in these roles accept responsibility for directing its affairs, ensuring that it remains solvent, well run and meets the aims for which it has been established.

In undertaking such activities individuals face numerous duties, rules, regulations and responsibilities. These include the need to ensure:

- compliance with health and safety legislation so that the property is safe and any boilers, lifts, electrical installations in common areas are regularly inspected to meet statutory requirements, and complying with such legislation relating to employees, association members and the general public;

- that the finances of the association or company are in order;
- compliance with relevant company law – for associations or company's that are formally established as companies;
- compliance with employment law – for any association or company employing staff (this may also include unpaid volunteers);
- compliance with legislation concerning racial, sexual and age harassment and discrimination, or protecting vulnerable individuals.

In addition the association or company may find themselves involved in legal proceedings as a result of public statements made or even disputes over the use of the association's or company's funds.

Individuals acting in such a role are potentially placing their personal assets at risk if an allegation is made where they have failed to use reasonable care and skill in executing their duties. Even if a legal action is successfully defended it may still involve incurring significant legal fees.

Anyone who takes on a management or administration position in a Residents' Association or Residents' Management Company should carefully consider the need for Directors & Officers insurance.

Directors & Officers Liability Insurance

Significant Features and Benefits

- **Directors & Officers Liability**

Cover against legal defence costs and expenses and settlements or damages awarded against insured persons for which they are personally liable for an actual or alleged Wrongful Act:

- breach of duty or trust
- neglect, error or omission
- misrepresentation, misstatement or misleading statement
- libel, slander, defamation
- breach of contract
- breach of warranty of authority.

Wrongful Act also includes

- any violation of the Companies Act 2006
- shareholders derivative actions
- employment practice related acts
- any violation of the Bribery Act 2010
- any other matter claimed against an insured person whilst in their capacity as an insured person.

Insured Person includes

- past, present and future trustees, committee members, directors, officers, de facto directors and outside directors
- employees in a managerial or supervisory capacity
- an employee where named as a defendant in connection with an employment practice dispute or co-defendant to any action
- automatically extends to include spouses/civil partners, heirs, estates and legal representatives of deceased directors and officers where they are pursued as part of a claim against an insured person.

- **Reimbursement Cover**

Cover to provide for the reimbursement of the association or company for claims paid on behalf of its directors and officers where it has indemnified or agreed to indemnify the individual concerned.

- **Investigation Additional Cover**

Costs and legal expenses of individuals in connection with the preparation for or attendance at official and professional investigations into their actions or those of the association or company are automatically covered up to the Limit of Liability.

Additional cover is provided which will operate prior to the actual identification of a wrongful act, and from when the attendance of an insured person is first required to attend or becomes aware of such investigation.

Significant Exclusions or Limitations

- **Claims Made**

Cover is provided on a claims made basis, meaning that the insurance only covers claims first made and circumstances first notified to us during the period of insurance or any discovery period (if applicable).

- **Limit of Liability**

The Limit is the total amount payable in respect of all costs arising from a single Claim during the Period of Insurance.

Sub limits apply to:

- Reputational Crisis Costs - £5,000 any one circumstance/person and £50,000 in the aggregate in the period of insurance
- Emergency Defence Costs - limit 10% of the Limit of Liability
- Foreign Corrupt Practices Act - limit £1,000,000
- Entity Cover Extension

Sub limits are part of and not payable in addition to the Limit of Liability, and are subject to the overall Limit of Liability.

Exclusions

- Proven fraud, dishonesty, illegal profit or remuneration where established by final judgement or adjudication or admission by an insured.
- Prior claims or circumstances where known or aware of at the inception date of cover or where notified under a prior cover.
- Litigation or arbitration proceedings initiated or pending at the Prior/Pending Litigation date.
- Trustee; cover will not apply for any individual acting in the capacity of trustee of any trust fund, pension scheme, employee benefit scheme or similar scheme.
- Bodily injury or property damage; this exclusion does not apply in respect of Employment Practice liability or corporate manslaughter proceedings.
- Insured versus Insured actions except as specifically provided for under the Acknowledged Insured vs Insured Cover.
- Performance or failure to perform professional services.
- Any Claim instituted or pursued in the United States of America.
- Cover generally excludes:
 - criminal fines and criminal penalties
 - remuneration or employment related benefits
 - a direction or contribution notice by the Pensions Regulator
 - taxes except where the personal liability of a director for non-payment of corporate taxes is established by law and indemnity by the association or company is not available
 - amounts uninsurable under the law applicable except punitive or exemplary amounts or the multiplied portion of multiple damages
 - punitive or exemplary damages for an Employment Practice Wrongful Act.

Directors & Officers Liability Insurance

Significant Features and Benefits

- **Health & Safety & Corporate Manslaughter**
Covers defence costs and legal representation expenses should the insured find themselves subject to proceedings for an offence under the Corporate Manslaughter and Corporate Homicide Act 2007 or for a breach of the Health & Safety at work Act 1974, including cover arising under equivalent legislation in another jurisdiction.
- **Employment Practice Wrongful Act**
Covers claims made against any insured person in respect of employment disputes such as those involving:

 - unfair and wrongful dismissal
 - harassment
 - discrimination and retaliation
 - failure to employ or promote
 - violations of the Employment Rights Act 1996.

relating to the past, present or future employment of an individual, other than to the extent that the insured person is indemnified by the association or company.
- **Outside Entity**
Provides blanket protection for any external directorships held by insured persons at the specific request of the association or company. An outside entity is not subject to any minimum ownership threshold, and will include any entity (including a not for profit entity) that is not a subsidiary or financial institution or have any of its securities listed in the United States of America.
- **Discovery Period**
In the event that cover is not renewed or replaced, cover automatically extends to allow a 90 day period for claims to be made, free of charge, with the option to extend this period up to 3 years at an additional premium. We can also provide a period of up to a further six years upon request, and at our discretion, in the event of a change of control.

Significant Exclusions or Limitations

Directors & Officers Liability Insurance

Significant Features and Benefits

Cover includes costs in respect of any investigation.

- **Reputational Crisis Costs**

Costs incurred in seeking the services of a crisis management firm or public relations consultant in order to mitigate the adverse effect on an insured's reputation as a result of a claim, circumstance or extradition proceeding.

We have an agreement with a panel of professional advisers to provide assistance in the event of a reputational crisis. Alternatively, you may use a service provider of your choice as required.

- **Bodily Injury / Property Damage Cover**

Cover for defence costs up to the Limit of Liability should an individual be faced with an allegation involving bodily injury or property damage and the association or company not provide them with indemnification.

- **Whistle blowing Legislation**

Cover includes protection for whistleblower incidents such as those falling under the Public Interest Disclosure Act 1998.

- **Bribery Act 2010 & Foreign Corrupt Practices Act**

Provides cover for civil fines and penalties imposed in relation to the Bribery Act 2010, the Foreign Corrupt Practices Act or similar legislation.

- **Pollution Cover**

Cover for pollution is provided up to the Limit of Liability where indemnity is not available from the association or company. Cover is also provided for shareholder derivative actions.

- **Acknowledged Insured vs Insured Claims**

Cover is provided for one insured person making a claim against another insured person for

- Employment Practice claims
- Claims brought by liquidators or receivers
- Contribution or indemnity matters resulting from other claims
- Shareholder derivative actions
- Claims brought by former directors or officers
- Whistleblower situations.

Significant Exclusions or Limitations

- A sub-limit of £5,000 any one circumstance/person and £50,000 in the aggregate in the period of insurance applies to this extension.
- If you do not wish to use our panel adviser, you must obtain our prior written consent to use the service provider chosen.

- A sub limit of £1,000,000 applies in respect of the Foreign Corrupt Practices Act.

Directors & Officers Liability Insurance

Significant Features and Benefits

- **Offering of Securities**

Cover is automatically provided in the event that funds are raised in respect of any public or private debt offering anywhere in the world.

- **Entity Cover Extension**

This extension provides cover to specifically protect the association or company as opposed to its directors and officers, and enables liability claims to be brought directly against the association or company and for cover to respond on behalf of the association or company. Cover includes:

- Legal defence costs and expenses and settlements or damages awarded against the association or company for an actual or alleged Wrongful Act
- Investigation Costs in respect of an Investigation under the Health and Safety at Work Act 1974 or the Corporate Manslaughter and Corporate Homicide Act 2007.

- **Claims Notifications**

Claims are not subject to restrictive 'condition precedent' reporting conditions. An extended notification period to report claims is provided up to 90 days after expiry of the period of insurance.

- **Allocation**

To facilitate a quicker resolution of any allocation dispute that may arise regarding covered and non covered matters or parties, we commit to using our best efforts to agree a fair and proper allocation as to the proportion payable.

- **Priority of Payment of Claims**

Condition that clearly states the order in which payment will be made and reflect the reality of claims payment situations. Allowance is made for the complexities which can occur in terms of when monies are actually due to the various parties involved but also allow adequate flexibility.

Significant Exclusions or Limitations

- Entity cover is subject to a sub-limit of £500,000 or 50% of the Section Limit of Liability whichever is the lower, and a deductible of £5,000 each claim applies unless successfully defended.

This extension is subject to the cover general exclusions and conditions, and in addition excludes:

- Employment Practice liability
- liability relating to competition, restraint of trade, or deceptive acts and practices in trade and commerce
- private placement or public offering of any securities
- infringement of copyright, patent, trade marks, service marks, trade secrets, title or other proprietary or licensing rights or intellectual property of any product or services
- contractual liability except in respect of defence costs
- pollution other than in respect of shareholders derivative actions
- any trust fund, pension scheme, profit-sharing scheme or employee benefit scheme
- claims brought or maintained by or on behalf of the association or company
- bodily injury and property damage except in respect of Investigation Costs
- efficiency or performance of any products or services except in respect of Investigation Costs
- direct or indirect tax obligations
- libel, slander, defamation or invasion of privacy.

Directors & Officers Liability Insurance

Significant Features and Benefits

- **Severability**
Full severability is provided for your benefit. For the purposes of determining the availability of cover or applicability of any exclusion, the conduct of an insured person, or the knowledge possessed by an insured person shall not be imputed to any other insured person.
- **Non-Avoidance**
Condition waiving our rights to avoid the cover in the event of innocent non-disclosure. This ensures that cover cannot be withdrawn from innocent individuals under any circumstances. In the event of any fraudulent misrepresentation or non disclosure, cover can only be restricted for culpable, specific, individuals.
- **Termination/Cancellation**
Cover is non-rescindable by us (other than in respect of non payment of premium).
- **Subrogation**
Restricts our rights of subrogation against an individual insured unless the claim involves a deliberate criminal act or illegal profit or advantage.
- **Assignment**
In order to safeguard the individual insured's interests, cover cannot be assigned for the benefit of any other party without our prior agreement.

Significant Exclusions or Limitations

Lansdown Insurance Brokers is a trading name of South Essex Insurance Brokers Ltd.
Authorised and Regulated by the Financial Conduct Authority. Registered address:
Beaufort House, Brunswick Road, Gloucester, GL1 1JZ.
Company registration number: 6317314. Registered in England

www.allianz.co.uk

Allianz Insurance plc. Registered in England number 84638.
Registered office: 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.
Allianz Insurance plc is authorised by the Prudential Regulation Authority and
regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Financial Services Register number 121849.

