

elite IV Directors & Officers Liability Insurance

THE elite D&O PRODUCT HAS BEEN AMENDED, REDUCING EXCLUSIONS FROM PREVIOUS VERSIONS.

WHO IS INSURED?

Directors and officers, including:

- Definition of directors or officers covers all types of past, present and future directors (executive and non-executive) and officers.
- Managerial and supervisory employees.
- All employees for employment related wrongful acts.
- Employees as co-defendants.
- Retired directors, other than those who are involuntarily removed or retire because of disqualification from holding office.
- Spouse, domestic partner, estate, or legal representative of deceased directors.
- Legal representative of a director in the event of their incapacity, insolvency or bankruptcy.
- Prospective directors in any listing particulars or prospectus issued by the company.
- Any lawyers employed by the company who in their capacity as such must comply with the Sarbanes-Oxley Act of 2002.
- Trustee of a pension, retirement or provident benefit fund established for the benefit of the employees of the company.

WHAT IS COVERED?

elite IV covers loss resulting from a wrongful act and will pay for:

- Damages, judgments, settlements, bail bond costs, crisis costs, deprivation of asset expenses, prosecution costs, public relations expenses and reputation protection expenses.
- Defence costs.
- Legal representative expenses.
- Losses incurred within 30 days of buy-outs by management of a subsidiary company.
- Costs arising from extradition proceedings.

- Tax contributions where the company has become insolvent and there is personal liability of an insured.
- Losses incurred for civil fines and civil penalties.
- North America exposures.
- Actions between directors of the company.
- Where there has been fraudulent conduct, non-disclosure, misrepresentation or intent to deceive, the policy will nevertheless be maintained for each innocent director.

WHAT CONSTITUTES A CLAIM?

The definition of a claim covers a broad range of acts:

- Written demands.
- Civil and arbitral proceedings.
- Criminal actions.
- Administrative and regulatory proceedings.
- Extradition proceedings.

WHAT WRONGFUL ACTS ARE COVERED?

- elite IV includes a wide definition of wrongful acts including breach of trust, error, omission, misstatement, defamation, breach of duty, any violation of the Companies Ordinance, Sarbanes-Oxley Act of 2002 or any equivalent law, rule or regulation in any other jurisdiction.
- Additional catch all of any matter claimed as a result of status as a director or officer of the company.
- Employment-related wrongful acts including whistleblower issues.

WHAT IS INCLUDED IN THE DEFINITION OF LOSS?

- Damages, judgments, settlements including plaintiff's legal costs and defence costs, aggravated, punitive and exemplary damages where insurable.
- Defence costs.
- Legal representation expenses incurred in relation to investigations into the affairs of the company.
- Bail bond costs.
- Crisis costs.



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- Deprivation of assets expenses.
- Prosecution costs.
- Public relations expenses.
- Reputation protection expenses.

elite IV includes all reasonable third party professional fees, costs and expenses that are necessary to defend or appeal a claim, e.g. Lawyers' fees, arbitrators' fees, experts' fees and other alternative dispute resolution procedure costs.

CHANGING CIRCUMSTANCES

elite IV responds to a number of changing circumstances:

- Retired director: 10 years run-off cover for any director who voluntarily retires during the policy period in the event of the policy not being renewed by the company or insurer.
- New subsidiaries: elite IV automatically includes cover for certain newly created or acquired companies, regardless of where they are domiciled.

OPTIONAL EXTENSIONS AVAILABLE

- Takeovers/mergers: option for up to 84 months run-off cover if the company is acquired: provides cover for claims notified after expiry of policy period.

ABOUT THE ACE GROUP

The ACE Group has built a global reputation as one of the premier providers of insurance, reinsurance and financial products and services. ACE operates in more than 50 countries worldwide. In the Asia Pacific, ACE is an extensive network of operations serving Australia, Hong Kong, India, Indonesia, Korea, Malaysia, Macau, New Zealand, Philippines, Singapore, Taiwan, Thailand and Vietnam. Our presence in China is driven by a strategic partnership with the Huatai Insurance Company, in which we are the single largest shareholder.

ABOUT ACE HONG KONG

ACE Insurance in Hong Kong is a member of the ACE Group of Companies®, a global leader in insurance and reinsurance. With a history dating back to 1792, the ACE Group provides a diversified range of products and services to clients through operations in more than 50 countries worldwide with a strong presence in Asia Pacific.

Operating in Hong Kong for more than 75 years, ACE is a niche and specialist general insurer. It has a well known reputation as one of the market leaders in the segments of Property, Casualty and Marine as well as Accident & Health insurance via direct marketing distribution. The 'A' long term insurer financial strength and counterparty credit ratings by Standard & Poor's are indicative of ACE Hong Kong's strong capitalization and reflective of its parent's rating outlook. (ACE core operating companies rated A+/Positive by Standard & Poor's).

Over the years, ACE Hong Kong has built strong client relationships by offering responsive service, developing innovative products and providing market leadership built on financial strength.

ABOUT FINANCIAL LINES

In these times of increasing litigation, the need for protection of the individual and corporate body has never been greater. No business is immune from litigation and the results can be devastating. ACE Financial Lines offers secure and stable professional and management liability coverages as a strategy for self-defense. With more than 60 years of experience in this area, ACE is an internationally acknowledged provider of Directors & Officers Liability, Professional Liability and other financial insurance. ACE offers a range of products designed to offer high net line capacity to companies, delivered by a dedicated team of professionals.

CONTACT US

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