

FIDO Insurance – Directors’ & Officers’ liability insurance for Financial Institutions



Insurance Product Information Document

Company: AIG Europe SA, Belgian branch

AIG Europe S.A. is an insurance undertaking with R.C.S. Luxembourg number B 218806. AIG Europe S.A. has its head office at 35 D Avenue John F. Kennedy, L-1855, Luxembourg. AIG Europe S.A. is authorised by the Luxembourg Ministère des Finances and supervised by the Commissariat aux Assurances 7, boulevard Joseph II, L-1840 Luxembourg, GD de Luxembourg, Tel.: (+352) 22 69 11 - 1, caa@caa.lu, <http://www.caa.lu/>. AIG Europe S.A., Belgium branch office has its registered branch office at Pleinlaan 11, 1050 Brussels, Belgium. RPM/RPR Brussels - VAT number: 0692.816.659. AIG Europe S.A. Belgium branch is registered with the National Bank of Belgium (NBB) under the number [insert number]. The NBB is located at de Berlaaimontlaan 14, 1000 Brussels, www.nbb.be. You can find our Privacy and AssurMifid policy on www.aig.be.

This document provides you with an overview of the main points of cover and the specific exclusions of this insurance. This document is neither tailor-made nor based upon your specific needs and the information herein is not exhaustive. You will find all the detailed information applicable to this insurance in the Schedule and General Conditions of the policy, and any policy endorsement.

What is this type of insurance?

AIG's Business Guard – Directors’ and Officers’ liability insurance policy covers the liability of the directors & officers (and to some extent employees) of a Financial Institution (including its subsidiaries) to protect them against claims which may arise from the decisions and actions taken within the scope of their regular duties.



What is insured?

- ✓ the companies' directors (including de facto directors) and officers (but not external auditors and not insolvency liquidators, administrators, monitors, supervisors, receivers or other insolvency office-holders (except for a director holding such office as part of director duties),
- ✓ the companies' employees (in particular circumstances),
- ✓ a natural person serving at a company's specific request or direction as a director or officer of an entity other than a company.

What is insured?

- ✓ **Managerial Liability**
The policy insures the insured persons of the financial institution (including its subsidiaries) for claims alleging wrongful acts or omissions by such person by providing cover for defence costs, amounts such person is legally liable to pay and settlements.
- ✓ **Pre-Claim Inquiry costs /Investigation costs**
It also insures the Insured Persons for various types of investigation experienced in their Insured Capacity by providing cover for the costs of advice and representation.
- ✓ **Assets & Liberty proceeding related costs** (subject to a sub-limit)
 - cover for defence costs, costs of seeking a declaration or injunction and costs for a crisis counsellor, tax advisers and public relations consultants
 - asset confiscation orders - costs: dependents' education and training costs; mortgage payments or rental costs; utilities costs; personal insurance premiums
- ✓ **Reputation Expenses** (subject to a sub-limit)
 - public relations consultant costs for particular purposes
- ✓ **Regulatory Enforcement** (subject to a sub-limit)
 - insurable civil or administrative fines and penalties
 - payment of unpaid corporate which the company cannot pay because of insolvency or legal prohibition



What is not insured?

- ✗ **Conduct**
 - the gaining of profit or advantage to which an insured is not legally entitled
 - deliberately dishonest or deliberately fraudulent acts, or intentional breach of law, by the insured
- ✗ **Prior Claims & Known facts or circumstances**
- ✗ **Bodily Injury/Property Damage** (with exceptions)
- ✗ **US Claims** brought by a Company against another insured or a USA claim by an Outside Entity against an Outside Entity Director (with exceptions)
- ✗ **Professional Services** claims
- ✗ **Money Laundering** claims
- ✗ **Major Shareholder** claims



Are there any restrictions on cover?

- ! The Policy limit of liability as stipulated in the Schedule of the policy
 - determined on a case-by-case basis
 - is the nominal which sets the maximum indemnification amount, per claim and for the entire policy period, payable by the insurer under the policy
- ! The specific sub-limits for each cover extension are stipulated in the Schedule and/or General conditions of the policy
- ! Deductibles as stipulated in the Schedule / General conditions of the policy (for Company reimbursement / US indemnifiable loss only)
- ! Are not covered by the policy:
 - fines or penalties (with exceptions)
 - taxes or damages reflecting taxes (with exceptions)

Circumstance/Claim Mitigation


- costs of complying with injunctive or non-monetary relief;
- remuneration or employment-related benefits;
- expenses of dealing with pollutants;
- an amount which represents inadequate consideration for the acquisition of ownership interests or assets of an entity



Where am I covered?

Worldwide

Unless otherwise agreed between the insurer and the Policyholder when the policy is entered into and except as otherwise provided by an exclusion or other restrictive language, the policy is for losses, claims and events anywhere in the world.

-  The cover under this insurance is excluded for the countries/regions subject to economic or commercial sanctions imposed by the United Nations, the European Union, Belgium, Luxemburg or the United States of America (including all sanctions imposed by the OFAC)



What are my obligations?

- Pay the premium
- Answer the questions asked by the insurer in an honest, clear and complete way
- Promptly inform the insurer of any claim made or of circumstances that are likely to give rise to a claim or an insured event and providing the requested information
- Defend a claim made against you
- Take all reasonable measures to limit and prevent the consequences of the loss
- Not to admit or assume any liability, enter into any settlement agreement or consent to any judgment without the Insurer's prior written consent
- Notifying the insurer of any increase in exposure, such as:
 - a significant increase in revenues or assets (either organic growth or M&A)
 - an important change in your professional services
 - new locations or activities outside the EEA
 - a change in the shareholder's structure



When and how do I pay?

You must pay your premium by bank transfer within 15 days of receipt of the invoice.



When does the cover start and end?

This policy applies during the policy period indicated in the Schedule or Special Conditions (usually a period of 12 months) and is automatically renewed with a consecutive new policy period, unless one of the parties cancels the policy at least three months before the annual renewal date.

This is a 'claims made' insurance policy. Cover under this policy is afforded solely with respect to claims first made against an insured and reported to the insurer during the policy period (or during the discovery period).

Upon cancellation of the contract, except for non-payment of the premium, cover is extended to claims made against the insured and reported to the insurer during a discovery period of 60 months following the effective date of cancellation of this policy, but only within the provisions and limitations of the Belgian Insurance Act of April 4, 2014, and article 142 § 2 in particular, and as specified in the General Conditions of the policy.



How do I cancel the contract?

You can cancel your policy, with due observance of a notice period of three months before the annual renewal date, by sending a registered letter, by bailiff or by delivery of the letter of termination against receipt to AIG Europe SA, Belgian Branch - Pleinlaan 11, 1050 Brussels.

