

Directors' and Officers' Liability Insurance for Public Companies

Public companies, regardless of size, nature of business, or stock exchange, face claims from shareholders, competitors, customers, suppliers, creditors, and government entities. To help safeguard against such claims the ELD offers the ExecPro Public Solution Policy (D23100). With \$25 million in available capacity on a primary or excess basis, the ELD can customize a policy to fit the differing needs of public companies.

The ELD has experience in underwriting a wide variety of life cycle exposures, including the following:

- IPO's
- Secondary Offerings
- Form 10 Registrations
- Mergers & Acquisitions
- Reverse Mergers
- Spin Offs
- Reorganizations

With very few excluded classes, the ELD provides coverage to a wide array of industries, including the following:

- Retail
- Food & Beverage
- Apparel Manufacturing
- Household Goods
- Chemical
- Oil & Gas
- Commercial Services
- Medical Device
- Computer Software and Hardware
- IT Service
- Telecommunication
- Semiconductor

Policy Highlights include:

- Broad definition of 'Claim' includes civil, criminal, administrative, arbitration and regulatory proceedings and investigations commencing with the receipt of a subpoena, Wells Notice or target letter, and requests to toll or waive the statute of limitations

- Broad definition of 'Securities Claim' includes civil lawsuits or criminal proceedings brought by the Securities and Exchange Commission and Company co-defendant language for administrative or regulatory proceedings during the time that the proceeding is continuously maintained against and Insured Person
- Broad definition of 'Loss' includes Costs of Defense, settlements and judgments, punitive damages, pre- and post-judgment interest, non-indemnifiable and Costs of Defense carve outs for 'bump up' claims, and Section 11 and 12 of the '33 Act language
- Carve outs to the Insured v. Insured exclusion include whistleblower language, Claims brought by 3+ year former Directors or Officers, Claims brought by a receiver, liquidator, trustee, examiner or creditors' committee in the event of Financial Insolvency, Claims brought and maintained in foreign jurisdictions
- Insuring Agreement I. A. and Securities Claim carve outs to the Pollution Exclusion
- Full Severability of the exclusions for Insured Persons with only facts pertaining to or conduct of a past, present or future CEO or CFO of the Corporation imputing to the Insured Entity.
- Full Severability of the Proposal Form for Insured Persons, with only the signor of the Proposal Form, CEO and CFO imputing to the Entity under Insuring Agreement I.C, and coverage provided under Insuring Agreement I.A. is non-rescindable
- SEC documents are limited to the last twelve months plus the most recent Form 10-K and annual report
- Conditional 90 day advancement of Costs of Defense
- 90 day post policy reporting period for Claims
- Order of Payments Provision
- Coverage provided under the Policy shall apply worldwide



Optional coverages available via endorsement include:

- Investigative Costs Coverage – with up to a \$500,000 sublimit, this option provides coverage for the costs associated with the investigation of a shareholder derivative demand
- Fiduciary Liability Coverage – available as a sub-limit, shared or separate limit (Also available as a Stand Alone Policy) this coverage can protect Insured against Claims for a Wrongful Act constituting a breach of fiduciary duty in the operation of any plan of the Company or in the administration of any welfare benefits plan of the Company
- Entity Employment Practices Liability Coverage – available as a sub-limit, shared or separate limit (Also available as a Stand Alone Policy) this coverage protects the Insured Entity against a variety of employment practices claims such as discrimination, harassment, retaliation and wrongful termination
- Outside Directorship Liability – For for-profit entities
- Extradition Coverage – Provides Costs of Defense in opposing, challenging, resisting or defending, including appeals, any official request for extradition of an Insured Person
- A dedicated \$500,000 Additional Limit of Liability available to Directors and Officers for Claims made under Insuring Agreement I.A., available subject to applicable underwriting guidelines

The *ExecPro*® product suite also includes:

Employment Practices Liability Insurance

Fiduciary Liability Insurance

A-Side DIC Liability Insurance

Private Equity Liability Insurance

Miscellaneous Professional Liability Insurance

Great American Insurance Group, 580 Walnut Street, Cincinnati, OH 45202. Coverage features described in this brochure are summarized. Refer to the actual policy for a full description of applicable terms, conditions, limits and exclusions. Coverage is underwritten by Great American Insurance Company. The underwriting insurers are authorized in the fifty states and the District of Columbia. Great American Insurance Company is the owner of the following registered service marks: the Great American Insurance eagle logo, and the word marks Great American® and Great American Insurance Group®. ©2010 Great American Insurance Company. All rights reserved. 0429-04-ELD (11/10)

