



Venture Capital Asset Protection (VCAP) from Chubb

VCAP Gateway Endorsement Highlights

Since 1997, Chubb has been a leader in providing management and professional liability insurance solutions for venture capital and private equity fund managers.

In today's unpredictable and rapidly evolving regulatory climate and volatile economic environment, venture capital and private equity fund managers—the backbone of innovation and entrepreneurship in the United States—face unprecedented exposures.

To help address the potentially devastating effects of civil and criminal litigation, regulatory investigations, and other demands for monetary and non-monetary relief, Chubb has developed the **VCAP Gateway Endorsement**, an amalgam of state-of-the-art coverage enhancements to Chubb's *Venture Capital Asset Protection (VCAP)* policy, which combines four critical coverages into one insurance contract:

- Management Liability
- Management Indemnification
- Outside Directorship Liability
- Professional Services Liability (Errors and Omissions)

VCAP Gateway also has the flexibility to address a specific customer's needs and the ability to evolve along with the venture capital and private equity industry as coverage needs change.

What's New and Exciting About VCAP Gateway?

Following are just a few of the coverage enhancements offered by VCAP Gateway:

- Omnibus coverage for all legal fund/firm entities, including side funds and investment holding companies, without the need to be specially scheduled. All newly created private equity funds engaged in similar activities as existing funds are included automatically, regardless of their offering size.



- Transition from the industry standard “insured v. insured” exclusion to an “organization v. insured” exclusion.
- Explicit inclusion of executives in residence, shareholder representatives, and any person granted indemnification by an organization for services provided to or on behalf of an organization.
- Tailored approach with respect to whose knowledge of improper conduct will impute to the organization (including its funds).
- Tailored approach with respect to how information in the policy application will impute to the organization (including its funds).
- *VCAP Gateway* makes the *VCAP* policy fully non-rescindable.
- Broadened definition of claim, including civil and criminal proceedings, formal regulatory investigations, extradition requests, mediation, arbitration, and other written requests for monetary damages or non-monetary relief.
- Outside directorship insuring clause includes an insured person’s service in any past, present, or future portfolio company as a director, officer, or any other position taken at a private or *public* portfolio company.
- Pollution exclusion does not apply where an organization/fund is unable to indemnify an insured person.
- Claims reporting permissible up to 180 days after policy expiration, where the policy is renewed with Chubb.
- No common claim or anti-stacking of limits provision if a common claim is made against the *VCAP* insured and a portfolio company insured by Chubb.

For More Information

To learn more about Chubb’s *VCAP* policy and the *VCAP Gateway* endorsement, please contact your agent or broker.

