

Product Disclosure Sheet - Directors & Officers Liability

Please read this Product Disclosure Sheet before you decide to take out the **Directors & Officers Liability** Insurance Policy. Be sure to also read the general terms and conditions.



1. What is this product?

The Directors and Officers Liability Insurance Policy provides financial protection for directors and officers in the event they are sued in the course of performing their duties. In addition to indemnification of payment of judgments or settlements, this policy also reimburses the defense costs.

2. What are the covers / benefits provided?

We will pay to or on behalf of the Director &/or Officer, Shadow Director &/or an Employee (“Insured Person”) on loss resulting from his/her actual, alleged or proposed breach of trust, error, omission, misstatement, misleading statement, misrepresentation, defamatory statement, libel, slander, neglect or breach of duty or any other matter claimed against the Insured Person. This cover only applies when the Claim is first made and reported to Us during the Policy Period, or Discovery Period if applicable.

Loss including amounts which the Insured Person is legally and personally obligated to pay including but not limited to statutory award, defence costs, legal representative expenses, bail bond costs and public relations expenses.

We will pay to or on behalf of the Company, all Loss resulting from any Securities Claim against the Company. This cover only applies when the Securities Claim is first made and reported to Us during the Policy Period, or Discovery Period if applicable.

The following are extensions provided by this policy:

- Preservation of Side A Limit
- Additional Excess Limit for Non-Indemnifiable Loss
- Subsidiaries
- Emergency Costs and Expenses
- Retired Director or Officer Cover
- Takeovers and Mergers Run-Off
- Outside Directorship
- Management Buy-outs
- Tax
- Bail Bond Costs, Crisis Costs, Public Relations Expenses & Reputation Protection Expenses
- Extradition Proceedings
- Prosecution Costs
- Civil Fines and Civil Penalties
- Occupational Health & Safety and Corporate Manslaughter
- Deprivation of Assets
- Pre-investigation Costs
- Foreign Liberalisation
- Indemnity to the Company for Shareholder Costs
- Derivative Investigation Hearing
- Interpretive Counsel - International Securities Laws

- Environmental Violation
- Cyber Privacy and Confidentiality
- Mitigation of Loss
- Reinstatement of Limit if a Recovery
- Continuous Cover
- Advancement of Costs and Expenses

Duration of cover is for one year. You need to renew your insurance policy annually.

Note: The descriptions on the available coverages are only a brief summary for quick and easy reference. Please refer to the policy contract for the full details of covers/benefits under this Policy.

3. How much premium do I have to pay?

The premium that you have to pay may vary depending on our underwriting requirements and the indemnity limit covers.

The policy is subject to minimum premium of RM 50.00.

4. What do I have to pay in addition to the Premium?

- Stamp duty - RM10
- Tax (where applicable) - 6% on the premium (included in the premium)
- Commission (included in the premium) paid to the Insurance Intermediary (if any) - maximum up to 25% of premium.

5. What are some of the key terms and conditions that I should be aware of?

- Importance of disclosure

Your duties to us for non-Consumer Insurance Policy

As this Policy is not a Consumer Insurance Policy, before this policy contract is entered into, varied or renewed, You have a duty to disclose to Us any matter that:

- (a) You know to be relevant to Our decision on whether to accept the risk or not and the rates and terms to be applied; or
- (b) a reasonable person in the circumstances could be expected to know to be relevant.

“Consumer Insurance Policy” means a contract of insurance entered into, varied or renewed by an individual wholly for his/her own purposes unrelated to the individual’s trade, business or profession.

A non-Consumer Insurance Policy is a policy other than a Consumer Insurance Policy.

- You must ensure that your limit of liability is adequate to cover your exposure.
- This policy applies to wrongful acts committed and claims made and inquiries held, anywhere in the world.
- The limit of liability is payable in excess of any applicable retention. The retentions applicable are inclusive of all loss.
- It shall be your duty to defend claims and arrange for representation at an inquiry. We shall have the right to effectively associate with you in respect of the conduct and management of any claim or inquiry.
- This insurance is subjected to 60 days Premium Warranty, i.e. premium due must be paid and received by insurer within sixty (60) days from inception. Failing which, policy is automatically cancelled and 60 days pro rate premium shall be entitled to insurer.
- We will pay you the defence cost in excess of the indemnity available from other valid policy(ies).
- The deductible/excess is the amount you have to bear before we pay a claim.
- Premium is due within sixty (60) days from the inception date of the policy / endorsement / renewal. If this condition is not complied with, the policy shall be automatically cancelled and we shall be entitled to the pro-rated premium for period covered.
- In the event of any claim occurrence, you must as soon as practicable take at your own expense all responsible steps to prevent or minimise the third party’s personal injury or property damage.

The above is a summary of certain key terms and conditions of the policy and is non-exhaustive. Please read the policy contract for the full terms and conditions of the insurance.

6. What are the major exclusions under this policy?

This policy does not cover legal liability arising out of or in connecting to, such as:

- Dishonest or improper conduct
- Known prior matters and notifications
- Insured v Insured Exclusion (applicable to USA only)
- Employee Retirement Income Security Act of 1974 (USA)
- Bodily injury/property damage
- Professional Services
- Pollution
- Outside Entity

This list is non-exhaustive and not for all the sections. Please refer to the sample policy contract for the full list of exclusions.

7. Can I cancel my policy?

You may cancel your policy by giving written notice to the insurance company. Upon cancellation, any refund of the premium would be based on the conditions stipulated in the policy contract.

8. What do I need to do if there are changes to my contact / personal details?

It is important that you inform your insurance intermediary or us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

9. Where can I get further information?

Should you require additional information about our Directors & Officers Liability Insurance, you can contact your insurance intermediary, or contact us at our branches nationwide or at:

Chubb Insurance Malaysia Berhad
Registration No. 197001000564 (9827-A)
Wisma Chubb
38 Jalan Sultan Ismail
50250 Kuala Lumpur.
O +6 03 2058 3000
F +6 03 2058 3333
E Inquiries.MY@chubb.com
W www.chubb.com/my

10. Other types of similar insurance cover available

None

IMPORTANT NOTE:

YOU SHOULD SATISFY YOURSELF THAT THIS INSURANCE POLICY WILL BEST SERVE YOUR NEEDS AND THAT THE PREMIUM PAYABLE UNDER THIS POLICY IS AN AMOUNT YOU CAN AFFORD. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE INSURANCE INTERMEDIARY OR CONTACT CHUBB INSURANCE MALAYSIA BERHAD DIRECTLY FOR MORE INFORMATION.

This product disclosure sheet is prepared in both English and Bahasa Malaysia versions. In the event of any inconsistencies between the English and Bahasa Malaysia versions, the English version shall prevail.

Please be reminded that:

- you have a duty to take reasonable care to provide us or our intermediary with all relevant information in order for us to provide you with the most suitable financial products and by withholding any information which we or our intermediary request for, or providing inaccurate information, we may not be able to recommend you a suitable financial product to cater to your needs;
- you should read and understand the contract terms and discuss further with us or our intermediary if there are any terms that you do not understand, before accepting the policy contract.

By accepting the policy contract, you would acknowledge that our intermediary or Chubb personnel had explained to you clearly on the policy contract coverage and key contract terms, and that the policy contract offered is suitable for your insurance needs.

The information provided in this disclosure sheet is valid as at 15/06/2020.

The information provided in this disclosure sheet is a brief summary for quick and easy reference. The exact terms and conditions that apply are stated in the policy contract.

CHUBB INSURANCE MALAYSIA BERHAD is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.