The unique characteristics of a private equity (PE) or venture capital (VC) firm are captured in this policy by tailoring the wording to reflect the fund structure and to address exposures faced by partners, directors and officers. From a firm at the early stage of raising funds to the later stage of an IPO or trade sale, the policy provides cover to reflect the life cycle of the firm. Chubb’s policy offers insured persons increased protection when faced with potential scrutiny from investors, regulators and shareholders.

The new Elite wording is a package policy comprising:

- Directors & Officers Liability Insurance (D&O)
- Outside Directors Liability (ODL)
- Professional Indemnity Insurance (PI)
- Crime Insurance

Coverage Highlights

Insuring Clauses
- There are five insuring clauses blended into the policy: Directors and Officers Liability; Company Reimbursement; Outside Directors Liability; Professional Indemnity; and Crime.

Key Features of Policy

All Insuring Clauses
- Policy is non-rescindable.
- Automatic Cover for new Funds up to pre-agreed assets under management; and where investment activities or domicile of investors are not materially different. This assists a PE or VC firm in easing their reporting requirements.
- 90 Day automatic cover provided in respect of ALL new Subsidiaries and Funds.
- Proportionate reinstatement of the Limit if there is a claim recovery.
- Up to 84 months run-off cover for takeovers and mergers applies to all insuring clauses.

Directors & Officers and Outside Directors Cover
- Outside Directorship cover provides cover for insured persons of the PE or VC firm that are representatives on the boards of portfolio companies.
- Retired Directors & Officers cover for an unlimited period.
- Prosecution Costs extension.
- Civil Fines and Pecuniary Penalties Extension.
- Tax Liability Extension covers an insured person’s personal liability for unpaid taxes of the PE or VC firm, where it has become insolvent.
- An additional excess limit for all directors and officers in the event of the exhaustion of all other sources of indemnification, including the Limit of Liability.

Directors & Officers, Outside Directors and Professional Indemnity Cover
- Pre-investigation costs cover for individuals to respond to on-site visits and raids by regulators, or regulatory requirements to attend inquiry hearings; or to respond to material breaches to a regulator.
- Continuous Cover Extension - Full continuity offered whether or not Chubb were the insurer.
- Bail Bond Costs, Crisis Costs, Public Relations Expenses and Reputation Protection Expenses.
- Emergency Defence Costs and Legal Representation Expenses.
- 30 Day run-off cover for a subsidiary purchased through a Management Buy-out.
- Deprivation of Assets Expenses – payment directly to the providers of schooling, housing, utilities and personal insurance services in the event of an order confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets, or creating a charge over real property or personal assets, of an insured person.
- Advancement of Defence Costs, Pre-investigation costs and Legal Representation expenses, as incurred.

• Pre-investigation costs cover for individuals to respond to on-site visits and raids by regulators, or regulatory requirements to attend inquiry hearings; or to respond to material breaches to a regulator.
• Continuous Cover Extension - Full continuity offered whether or not Chubb were the insurer.
**Professional Indemnity Cover**
- Preservation of Limit for Funds that are subject to the Alternative Investment Fund Directive in the European Union.
- External Dispute Resolution cover for awards plus interest and costs imposed by an EDR body as a result of a claim.
- Loss of Documents and Breach of Privacy cover.
- Mitigation Costs cover.

**Crime Cover**
- Crime cover incorporates employee dishonesty, computer crime, counterfeiting, forgery, fraudulent alteration, physical loss or damage.
- Interest cover - for lost interest that the company would have received, or the company has been legally obligated to pay to a client because of a crime loss.
- Covers the cost of any reasonable expenses incurred by the company to establish the existence and amount of any crime loss, in addition to the Limit.
- Covers the expenses to reproduce impacted electronic computer programs to their operational capacity prior to the crime.

**Exclusions**
Some of the exclusions are narrower than traditional exclusions. For example:
- Insured v Insured exclusion only applies to the US or PI claims.
- Conduct exclusion applies where the conduct has been established by a written admission or final adjudication. The exclusion takes into account the European Union’s Alternative Investment Fund Directive for alternative investment fund managers.
- Pollution - the exclusion only applies to the PI section of the policy whereas pollution clean-up costs only are excluded in the D&O section of the policy.

**Conditions**
- Notification of claims amended to allow additional notification period if a regulator legally requires the insured to be bound by a confidentiality agreement.
- Insured has a broad duty to defend claims.
- Separate legal representation for directors & officers where conflicts exist.
- No “Hammer Clause” (other than claim brought against Insured Person by Insured Organisation or Outside Organisation)
- Rights of subrogation shall not be exercised against an Insured Person unless committed a criminal, dishonest, fraudulent or malicious act.
- Order of Payments condition.

**Additional Benefits**
- Ability to offer tailored solutions.
- Significant capacity.
- World-wide cover.
- Local claims handling capabilities.
- Local underwriting authority and account management expertise.
- Primary and excess capabilities.

**Other Chubb Financial Institutions Products:**
- Directors and Officers Liability Insurance
- Side A
- Side A DIC
- Prospectus Liability Insurance (Public Offering of Securities Insurance)
- Financial Institutions Professional Indemnity Insurance
- Investment Management Insurance
- Financial Institutions Crime cover
About Chubb in Singapore

Chubb is the world’s largest publicly traded property and casualty insurer. Chubb Insurance Singapore Limited, via acquisitions by its predecessor companies, has been present in Singapore since 1948. Chubb in Singapore provides risk management and underwriting expertise for all major classes of general insurance, including Property & Casualty, Marine, Liability, Financial Lines and Group Personal Accident insurance. As one of the leading providers of Accident & Health insurance through direct marketing, the company partners with financial institutions and other companies to tailor individual policies for their clients and employees. In addition, it offers a suite of customised Personal & Specialty insurance solutions to meet the needs of consumers.

Over the years, Chubb in Singapore has established strong client relationships by offering responsive service, developing innovative products and providing market leadership built on financial strength.

More information can be found at www.chubb.com/sg.

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