

# Chubb Elite Financial Institutions Civil Liability Insurance Policy

CHUBB®

Financial Lines



The Chubb Elite Financial Institutions Civil Liability Insurance policy has been created to provide protection to financial institutions of all types, with respect to the professional services that are offered to clients or customers around the world. The policy can be tailor-made to suit individual financial institution's needs in an increasingly volatile and hostile environment.

Chubb Insurance is a leader in Professional Indemnity Insurance. Our knowledge and worldwide representation enable us to effectively deal with the challenges faced by financial institutions.

#### Coverage Highlights

##### Insuring Clause

Chubb will pay to or on behalf of the Insured all civil liability loss arising from acts, errors, omissions, breaches of duty, breaches of trust, breaches of fiduciary duties or breaches of any applicable regulations, while performing or failing to perform professional

services. The cover includes the conduct of any other person for which the insured is legally responsible.

##### Extensions

- Legal Representation Expenses for attendance at investigations including regulatory investigations up to the full limit of the policy.
- Mitigation Costs sub-limit of \$100,000.
- Full continuity while the Insured has maintained a professional indemnity policy without interruption from Chubb, with no fraudulent non-disclosure or fraudulent misrepresentation.
- Loss of documents, defamation and breach of privacy cover to the full limit of the policy.
- Loan administration expenses resulting from a claim are covered.
- Extradition Bail Bond Costs sub-limit of 10% of the Limit of Liability. Extradition Crisis Costs sub-limit of \$25,000.
- Public Relations Expenses to hire a public relations firm, crisis management firm or law firm, to prevent or limit negative publicity arising from a claim. Sub-limit of \$250,000.
- Reputation Protection Expenses to assist the Insured in appointing a public relations firm or consultant to diffuse the findings of a final adjudication. Sub-limit of \$250,000.
- Non-Renewal Discovery Periods:
  1. Bilateral trigger for cover;
  2. 45 day automatic on all clauses - no additional premium;
  3. 12 months @ 90% additional premium for all insuring clauses;
  4. Affirmative cover for Investigations during Discovery Period.
- Option to purchase run-off cover for additional 84 months due to merger or acquisition.

- Automatic Cover for New Subsidiaries if:
  1. new subsidiary asset size is less than 20% in asset size of the principal organisation;
  2. it is not domiciled in the US;
  3. there are no professional services claims in the preceding five years;
  4. up to 20% of revenue is derived from investment banking, hedge funds, or derivative trading.
- 45 day automatic cover provided in respect of ALL new subsidiaries.
- Emergency Defence Costs provided where the Insured is unable to obtain prior consent from Chubb for up to 10% of the Limit of Liability (or applicable sub-limit), for expenditure on defence costs, legal representation expenses, bail bond costs or public relations expenses.

##### Definitions

- Claim includes Extradition Proceedings and Investigations, (with no Wrongful Act requirement).
- Civil Liability Loss includes damages, judgments, and court orders to pay compensation for a contravention of any statute or legislation. Also includes Public Relations Expenses, Reputation Protection Expenses and Extradition Bail Bond Expenses and Crisis Costs.
- Professional Services includes financial services for a fee or in conjunction with services for a fee, or pursuant to an agreement.
- Subsidiary includes a joint venture where the Insured exercises effective management control.

##### Exclusions

- Improper Conduct - includes dishonesty, fraud and personal profit. Broad written admission and final adjudication language. Non imputation clause applies to insured persons and insured entity.

- Insured vs Insured exclusion - carves back defence costs; capacity as a client or customer; contribution or indemnity; former insured persons.
- No Insolvency exclusion.
- Lenders Liability exclusion - does not apply to administration of loans.
- Mechanical Breakdown - write back for claims arising from Wrongful Act.
- Intellectual Property exclusion - write back for unintentional breaches by the Insured.
- Trustee Liability exclusion - only applies to Insured's own pension funds.
- Proprietary Risks - specific to the Insured's own trading losses.
- SEC exclusion.
- Failure to Hold Licence exclusion - onus is on the Insured to ensure appropriate licences are maintained as required by local regulators.

##### Conditions

- Insured's duty to defend claims.
- Separate legal representation is required where conflicts exist.
- Rights of subrogation shall not be exercised against an Insured Person unless a criminal, dishonest, fraudulent or malicious act has been committed.

##### Additional Benefits

- Ability to offer tailored programs.
- Capacity of US\$25 million.
- 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.
- Prospectus Liability Insurance (Public Offering of Securities Insurance).
- Investment Management Insurance.
- Bond.
- Electronic Computer Crime.
- Commercial Crime.

##### About Financial Lines

In these times of increasing litigation, the need for protection of the individual and corporate body has never been greater. No business is immune from litigation and the results can be devastating. Chubb Financial Lines offers secure and stable professional and management liability coverages as a strategy for self-defense. With more than 60 years of experience in this area, Chubb is an internationally acknowledged provider of Directors & Officers Liability, Professional Liability and other financial insurance. Chubb offers a range of products designed to offer high net line capacity to companies delivered by a dedicated team of professionals.

##### Important Notes:

This brochure is intended to provide only a general description of the insurance policy (Chubb Elite Financial Institutions Civil Liability Insurance Policy (Ed. April '16)) and is not intended to modify the actual provisions of the wording. We recommend that a potential purchaser thoroughly examine our policy offered and consult with an appropriate expert to be certain of the precise nature of its details. This brochure is designed for use by brokers and/or insurance agents only. Potential purchasers should contact Chubb or their broker and/or insurance agent for further advice.

### About Chubb in Singapore

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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](http://www.chubb.com/sg).

### Contact Us

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## Chubb. Insured.<sup>™</sup>

Chubb Elite Financial Institutions Civil Liability Insurance Brochure. Published 11/2016.

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