

# Directors and Officers Liability Insurance



**At Vero, we understand that directors and officers face a range of risks in today's complex regulatory and economic environment. That's why comprehensive and clear insurance protection is valuable.**

Our refreshed Directors and Officers Liability Insurance is designed to provide your clients with peace of mind. It offers protection against a wide spectrum of risks from allegations of misconduct and compensation claims to regulatory investigations and more. Backed by one of Australia's most trusted commercial insurers, Vero helps you support your clients with confidence, clarity, and a commitment to delivering what matters.

## Why Vero?

- Quality coverage backed by one of Australia's largest insurers.
- Vero has been underwriting Directors and Officers Liability Insurance (D&O) in the Australian market for over 20 years.
- An Australian company with underwriters in Brisbane, Sydney, Melbourne, Adelaide and Perth.
- Vero offer award winning claims service to support your clients.

## Target market

- Broadly, the target market for Vero D&O is all Australian registered companies.

Small, medium and large private companies and public unlisted companies:	Target for primary and excess Broad appetite with competitive premiums and deductibles
Listed companies outside ASX200:	Target for AB primary and excess Capacity for side C excess
ASX200 listed companies:	Capacity for AB excess Limited capacity for side C excess at high attachment points

- No upper revenue caps.
- Broad industry/occupation appetite, including but not limited to:
  - Accommodation
  - Aged and disability care and other allied health services
  - Agriculture
  - Aquaculture
  - Automotive
  - Education
  - Fishing
  - Hospitality
  - Hospitals and medical establishments
  - Insurance and related services
  - IT providers and services
  - Manufacturing
  - Media and publishing
  - Mining (except coal, oil and gas)
  - Personal services
  - Professional and administrative services
  - Property owners and real estate services
  - Public administration
  - Rental and hiring
  - Retailing
  - Safety and regulatory services
  - Sports and recreation (other than professional)
  - Super funds
  - Telecommunications
  - The arts
  - Transportation
  - Utilities
  - Wholesaling
- Non-target industry/occupations include financial institutions, construction, biotechnology, pharmaceutical, beverage and tobacco, energy, defence, finance, professional sports, gambling and public order.

## Capacity

- Limits up to \$20 million for target risks.

## Key features and benefits

- The refreshed Vero D&O policy combines broad core directors and officers liability, company reimbursement and investigations insuring clauses with a number of extra benefits to cover directors and officers against other actions or proceedings they may face, including:
  - Deprivation of assets expenses: Covers an insured person's personal expenses, such as mortgage, utilities and school fees, if they can't access their assets due to a freezing order or similar order.
  - Derivative action investigation costs: Covers the company's costs to determine its response to a derivative shareholder action against an insured person.
  - Environmental liability: Covers defence costs, investigation costs and fine and penalties arising from an environmental violation that would otherwise be excluded by the bodily injury and property damage exclusion.
  - Fines and penalties: Covers legally insurable civil fines and penalties imposed by law on insured persons as a direct result of a claim or investigation.
  - Insolvency hearing cover: Covers the costs of representing an insured person at an inquiry or investigation by a registered liquidator, insolvency administrator or receiver.
  - Internal investigation costs and expenses: Covers investigation costs for internal investigations conducted by the company into an insured person:
    - arising out an official body investigation;
    - following notification by the company, an insured person or whistleblower to an official body of an actual or suspected wrongful act or breach of legal, statutory or regulatory duties by an insured person or the company; or
    - when investigating whether the company is legally required to formally notify any official body of an actual or suspected wrongful act or breach of legal, statutory or regulatory duties by an insured person or the company.
  - Raid response costs: Covers certain costs of responding to an on-site raid by an official body, or the public announcement of a raid.
- A company securities cover insuring clause is included in wording and can be excluded or sub-limited depending on risk appetite and client preference.

- Entity employment practices liability, crime and statutory liability are available via endorsement on either a sub-limit or separate limit basis.
- Other extensions included in the wording are:
  - Advancement of costs and expenses
  - Business crisis consultant fees
  - Continuity
  - Discovery period
  - Discovery period for retiring directors and officers
  - Emergency costs
  - Extradition costs
  - Legal consultation
  - Legal representatives and spouses
  - Mitigation costs
  - New subsidiaries
  - Occupational health and safety
  - Outside directorships
  - Personal tax liability
  - Prosecution costs
  - Public relations and reputation expenses
  - Special excess limit for insured persons
  - Travel and accommodation expenses

## Other features

- Nil excess for insured persons as standard.
- All sub-limits are managed via the schedule.
- Pre-approved use of Vero's legal panel, with option to request appointment of a non-panel legal firm.
- The claims notification clause includes a provision enabling the insured to notify facts or circumstances that might give rise to a claim, investigation or other matter covered under the policy.

## Exclusions

- Bodily injury and property damage – with write-backs for psychiatric, psychological or mental injury resulting from an employment wrongful act, defence costs, investigation costs, securities claims and claims for defamation.
- Intentional misconduct
- Prior claims and circumstances
- Sanctions
- U.S.A. jurisdiction. Some USA jurisdictional cover can be considered on request.

For more information, visit our website to download the Policy Wording.

