

PRODUCT PROFILE

PrivateEdge

PrivateEdge is our flagship management liability product for private companies, partnerships, charities and other not-for-profit organisations, with extensive D&O protection for individuals, companies, and optional Employment Practices Liability, Pension Trustee and Employee Benefits Liability and Crime covers. PrivateEdge has been upgraded with enhanced health and safety protection and company prosecutions cover, separate limits across all coverage sections and free legal advice from a panel of three leading law firms.

This document is written on the basis that the Policy will be taken out without any agreed variation to its standard terms. If any such variation is agreed, some of the facts set out in this summary may not apply.

Insured

- Limited companies and all subsidiaries.
- Not for Profit entities and all subsidiaries.
- Partnership entities and all subsidiaries.
- Directors, officers, employees, governors, members, trustees, partners, pension trustees, corporate trustee companies, pension plans, employee benefit or welfare benefit plans.

COVERAGE

Cover: All modules:

- Separate limits per coverage section.
- Worldwide cover.
- Advancement of defence costs.
- Retention waived if finding of no liability in favour of all Insureds at final adjudication by a judicial or arbitral tribunal, or a complete and final settlement exonerating all Insureds.
- Automatic Discovery Period of up to 45 days if the policy is not renewed or replaced, or Optional Discovery Period of up to 3 years at pre-agreed rates.
- Pre-Agreed Run-Off rates of up to 6 years in the event of a policy Transaction.

Services: All modules:

- Legal advice helpline across all coverage modules from 3 leading law firms: Kennedys, Womble Bond Dickinson and Mills & Reeve.
- Website covering a host of key issues important to our clients.

D&O – Management Liability (mandatory section)

- Pre-Claim Inquiry Costs.
- Mitigation Costs (sub-limited).
- Civil fines and penalties cover where insurable.
- Lifetime Run-Off for retired or resigned directors.
- Emergency Costs (sub-limited).
- Assets & Liberty Cover.
- Insolvency Hearing Cover (sub-limited).
- Reputation Expenses (sub-limited).

D&O – Corporate Legal Liability (mandatory section)

- Health and Safety & Corporate Manslaughter representation expenses and proceedings costs (sub-limited).
- Fees for Intervention (FFI) costs (sub-limited).
- Company Defence Costs for bodily injury or property damage claims; pollution claims; breach of contract claims (sub-limited).
- Company Defence Costs for claims seeking fines or penalties.
- Company Regulatory Crisis Response Costs (sub-limited).
- Crisis Event Public Relations Expenses (Sub-Limited).
- Identity Fraud Costs incurred by the Company in establishing fraudulent misrepresentation (sub-limited).

Optional Coverage

Employment Practices Liability

- Retention reduction if written management guidelines in place and legal panel member engaged throughout the dispute process.
- Affirmative cover for Wrongful Internet Activity.
- Clear triggers within the definition of Claim.
- Wide definition of employee includes independent contractors, secondees and volunteers (when under the supervision and indemnified by the Company).

Pension Trustee and Employee Benefits Liability

- Lifetime Run-Off for retired or resigned trustees.
- Cover for amounts relating to Contribution Notices against pension trustees and challenges against them.
- Court Application Costs (sub-limited).
- Cover for amounts ordered to be paid by the Pensions Ombudsman against Insured Persons.
- Third Party Pursuit cover relating to costs incurred by trustees to bring legal proceedings against a service provider (sub-limited).
- Loss of Documents cover (sub-limited).
- Corporate Professional Trustees Extension.

Crime

- Covers losses first discovered during the policy period for acts occurring during or prior to the policy period.
- Protection for the Company against employee dishonesty or third party fraudulent acts.
- Cover for money, securities or other property in the Insured's care, custody and control.
- Legal fees relating to the defence of a claim resulting from a crime loss (sub-limited).
- Additional limit for use of an investigative specialist.
- Reconstitution costs (sub-limited).
- Impersonation Fraud cover (sub-limited).
- Funds Transfer Fraud cover (sub-limited).
- Wide definition of employee.

Security Response

- Up to £100,000 of Crisis Consultants' fees and expenses to cover on the ground support to the company's management team.
- Additional Expenses covering the cost of emergency business continuity and recovery measures as recommended by the crisis consultants.
- Staff welfare expenses including emergency relocation and trauma management

Key Exclusions

D&O all sections

- Fraudulent or dishonest acts (upon final adjudication).
- Professional services.
- Partner disputes.

D&O Corporate Legal Liability

- Intellectual Property.
- Anti-competitive practices.

Employment Practices Liability

- Claims brought by Directors or Officers (unless in their capacity as an employee).
- Fair Labour Standard Acts (where there is a US exposure).
- Benefits such as unemployment or retirement.

Pension Trustee and Employee Benefits Liability

- Failure to fund a plan.
- US pension and employee benefit plans (ERISA).

Crime

- Indirect or consequential loss.
- Loss resulting from director or partner acts (unless in their capacity as an employee).

Policy Duration

Standard policy duration of 12 months

Law Governing the Policy

England and Wales

Sums Insured

There are monetary limits and other restrictions to how much the insurer will pay under the Policy. These limits and restrictions are agreed between the insurer and the policyholder when the Policy is taken out.

Cancellation

This policy may be cancelled by the Insurer for non-payment of the premium.

Making a claim under the Policy

To make a claim under this Policy, all notifications must be in writing to:

Financial Lines Claims
AIG
2-8 Altyre Road,
Croydon CR9 2LG

or by email to Claims.Privateedge@aig.com

Section 3 of the General Terms and Conditions of the Policy sets out insureds' obligations when making a claim, including the requirement that written notice is given as soon as practicable. Failure to comply may result in the insurer not having to pay the claim.

Other Obligations of the Insureds

Retention (section 2.2 of the General Terms and Conditions of the Policy): the Insurer shall only indemnify the Insured for Loss incurred in excess of the Retention. The Retention is to be borne by the Company (or in the case of the PTL Coverage Section the Company, Plan or Corporate Trustee Company or in the case of the Crime Coverage Section the Insured) and shall remain uninsured.

Subrogation (section 2.3 of the General Terms and Conditions of the Policy): where any amount is paid under this Policy in respect of a Claim or other Insured Event, the Insurer shall be subrogated to all rights of recovery of the Insured. The Insured shall not do anything to prejudice the Insurer's rights of recovery.

Defence/Settlement (section 3.3 of the General Terms and Conditions of the Policy): The Insured shall have the obligation to defend and contest any Claim made against them unless the Insurer, in its sole and absolute discretion, elects in writing to take over and conduct the defence and settlement of any Claim.

Insurer's Consent (section 3.4 of the General Terms and Conditions of the Policy): the Insured shall not admit or assume any liability, enter into any settlement agreement, consent to any judgment, incur any Defence Costs or incur any other amounts where consent is required under any Coverage Section without the prior written consent of the Insurer.

Cooperation (section 3.6 of the General Terms and Conditions of the Policy): the Insured will at their own cost:

- (i) render all reasonable assistance to the Insurer and co-operate in the investigation, defence, settlement or appeal of any Claim or Insured Event and the assertion of indemnification and contribution rights;
- (ii) use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any Loss under this Policy;
- (iii) give such information and assistance to the Insurer as the Insurer may reasonably require to enable it to investigate any Loss or determine the Insurer's liability under this Policy.

Highlights

D&O Claims expertise

A D&O claim can be a difficult client experience. With one of the industry's most experienced D&O claims teams, whatever the exposure, we've seen something like it before and are there to guide your clients with our expertise and the financial resources delivered by PrivateEdge.

HSE costs for individuals and companies including "fees for intervention"

PrivateEdge now gives individuals and companies "end-to-end" legal and professional coverage for HSE investigations and prosecutions as well as covering the HSE's fees for intervention.

Company Prosecutions

PrivateEdge now covers the Company's costs of defending any claim against it seeking fines and penalties - a significant enhancement coverage including potential actions from a host of regulators.

Policy retention waiver

Any retention is waived if there is finding of no liability in favour of all Insureds at final adjudication by a judicial or arbitral tribunal, or a complete and final settlement exonerating all Insureds.

Impersonation Fraud

PrivateEdge Crime Module explicitly covers "social engineering" fraud, one of the world's "emerging fraud trends" (BBC 1 Jan 2016) including: fake supplier fraud, fake presidents scams etc.

Legal Advice

All PrivateEdge policyholders are entitled to free confidential telephone legal advice from a panel of three leading law firms on any issue that they feel might potentially lead to a claim under their PrivateEdge policy.

This provides a summary of cover only, for full details of policy coverage and exclusions refer to the policy wording.

London

58 Fenchurch Street
London EC3M 4AB
Tel: 020 7954 7000

Birmingham

Embassy House,
60 Church Street
Birmingham B3 2DJ
Tel: 0345 600 5678

Croydon

2-8 Altyre Road, Croydon
Surrey CR9 2LG
Tel: 020 8681 2556

Glasgow

Centenary House
69 Wellington St
Glasgow G2 6HG
Tel: 0141 303 4400

Manchester

4th Floor,
201 Deansgate
Manchester M3 3NW
Tel: 0161 832 8521

Complaints

We believe you deserve courteous, fair and prompt service. If there is any occasion when our service does not meet your expectations please contact us using the appropriate contact details below, providing the Policy Number and the name of the Policyholder to help us deal with your comments quickly.

Claims related complaints

Write to: Head of Financial Lines UK, AIG,
The AIG Building, 58 Fenchurch Street,
London, EC3M 4AB
Call: +44 (0)20 7954 7000

All other complaints

Write to: Customer Relations Team, AIG,
The AIG Building, 2-8 Altyre Road,
Croydon, CR9 2LG
Call: 0800 012 1301 or +44 (0)20 8649 6666 (if
calling from overseas)
E-mail: uk.customer.relations@aig.com
Online: www.aig.co.uk/your-feedback

Lines are open Monday to Friday 9.15am – 5pm, excluding bank holidays. Calls may be recorded for quality, training and monitoring purposes.

We operate a comprehensive complaint process and will do our best to resolve any issue you may have as quickly as possible. On occasions however, we may require up to 8 weeks to provide you with a resolution.

We will send you information outlining this process whilst keeping you informed of our progress. If we are unable to resolve your concerns within 8 weeks, you may be entitled to refer the complaint to the Financial Ombudsman Service. We will provide full details of how to do this when we provide our final response letter addressing the issues raised.

Please note that the Financial Ombudsman Service may not be able to consider a complaint if you have not provided us with the opportunity to resolve it.

The Financial Ombudsman Service can be contacted at:

Write to: Financial Ombudsman Service,
Exchange Tower, London E14 9SR
Call: 0800 023 4567 or 0300 123 9123
E-mail: complaint.info
@financial-ombudsman.org.uk
Online: www.financial-ombudsman.org.uk

Following this complaint procedure does not affect your rights to take legal action. If you wish to complain about an insurance policy purchased online you may be able to use the European Commission's Online Dispute Resolution platform, which can be found at ec.europa.eu/consumers/odr/

Privacy

American International Group UK Limited's Privacy Policy is available at www.aig.co.uk/privacy-policy or by requesting a copy from: Data Protection Officer, American International Group UK Limited, The AIG Building, 58 Fenchurch Street, London EC3M 4AB, UK or by email dataprotectionofficer.uk@aig.com

Before providing us with Personal Information about another individual you must (unless we agree otherwise): (a) inform the individual about the content of this notice and our Privacy Policy; and (b) obtain their permission (where possible) to share their Personal Information with us in accordance with the Privacy Policy.

Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. If we are unable to meet our financial obligations you may be entitled to compensation from the scheme, depending on the type of insurance and the circumstances of the claim.

Further information about compensation scheme arrangements is available at www.fscs.org.uk or call (freephone) on 0800 678 1100 or +44 (0)20 7741 4100.

About American International Group UK Limited

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