

PRODUCT PROFILE

Pension Trustee Liability

CorporateGuard 2015 (Pension Trustee Liability Insurance) is an insurance policy to protect organisations and their pension schemes and employee benefit plans, and trustees, directors, officers and employees, against claims and proceedings relating to the administration of the pension schemes and employee benefit plans.

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.

This document does not contain the full terms and conditions of the policy. The full terms and conditions are in the policy itself and its schedule, both of which will be issued following the policy being taken out or specimens of which can be supplied upon request prior to the policy being taken out. Scope and terms are subject to the terms and conditions of the policy.

Insureds

- the Policyholder (that is the organisation which takes out the policy) and its subsidiaries (“Company” and “Companies” are used in this product profile to refer to the Policyholder and its subsidiaries),
- the Companies’ employee benefit, welfare and pension plans (referred to in this product profile as “Plans”),
- Corporate Trustee Companies (that is corporations established by a Company or its predecessor and duly appointed to act as trustee of a Plan),
- natural person directors, officers, trustees and employees of Companies, Corporate Trustee Companies and Plans (but only while acting in the capacity of trustee or administrator of a Plan; and not including external auditors or liquidators, receivers, administrators, supervisors or other insolvency office-holders),
- Internal Dispute Managers (that is natural persons responsible for internal dispute resolution procedures as defined in Section 50 of the Pensions Act 1995).

Natural persons mentioned in the list above are referred to as “Insured Persons” in this product profile.

Main Insurance Coverage

The policy insures:

1. the Insured Persons for civil claims and criminal proceedings alleging wrongful acts or omissions by them with respect to a Plan, providing cover for defence costs and, in the case of civil claims, damages and settlements (Insurance Cover 1.1),
2. the Insured Persons for criminal, administrative or regulatory investigations into the affairs of Insured Persons, Companies, Plans or Corporate Trustee Companies, providing cover for the costs of representation (Insurance Cover 1.1),
3. the Companies, Plans and Corporate Trustee Companies for civil claims and criminal proceedings alleging wrongful acts or omissions by them with respect to a Plan, providing cover for defence costs and, in the case of civil claims, damages and settlements (Insurance Cover 1.2),
4. each Plan for sums which, but for an exoneration clause in its trust deed or rules, it would be entitled to recover in damages from a trustee for a wrongful act or omission with respect to the Plan (Insurance Cover 1.3).
5. the Companies, Plans and Corporate Trustee Companies, by reimbursing them if they pay Insured Persons’ defence costs, damages and settlements in civil claims and criminal proceedings against Insured Persons alleging wrongful acts or omissions with respect to a Plan (Insurance Cover 1.4).

Other Coverage Features

Other benefits the policy provides with regard to trusteeship or administration of Plans include:

- payment of amounts an Insured Person has to pay pursuant to a contribution notice issued by the Pensions Regulator pursuant to section 38 of the Pensions Act 2004,
- Plans’ and trustees’ fees and expenses for court proceedings seeking clarification on the proper running of a Plan,
- amounts which Insured Persons are ordered to pay by way of a determination of the Pensions Ombudsman for wrongful act or omission with respect to a Plan,
- payment of civil fines and penalties in the absence of intentional, grossly negligent or deliberate breach of law,
- trustees’ costs and expenses to bring legal proceedings against service providers for breach of professional duty,
- replacement or restoration costs for lost Plan documents,
- payment of sums reasonably and necessarily paid to a potential claimant to reduce the ultimate liability of an Insured Person,
- legal costs, and fees and expenses of crisis counsellors, tax advisors and public relations consultants for: extradition proceedings; trustee disqualification proceedings; confiscation, freezing or charging of assets; restriction of liberty; deportation on loss of valid immigration status other than for crime.

Key Exclusions

- Conduct (upon final adjudication or formal admission, or, with respect to contribution notices, upon finding of a pensions regulator or other official body): (i) gain the insured was not entitled to; (ii) dishonest or fraudulent act; (iii) or (with respect to contribution notices) wilful violation of the Pensions Act 2004;
- Bodily injury and property damage,
- Prior claims and circumstances,
- Failure to fund a Plan or to collect or pay over contributions to a Plan,
- ERISA: Loss relating to USA Plans.

Geographical Scope

Unless otherwise agreed between the insurer and the Policyholder when the policy is entered into and except as otherwise provided by an exclusion or other restrictive language, the policy is for losses, claims and events anywhere in the world.

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 are agreed between the insurer and the Policyholder when the policy is taken out.

Cancellation

The policy may be cancelled by the insurer for non-payment of the premium.

Takeover or Merger – Restriction of Cover

Cover under the policy becomes restricted after a takeover or merger of the Policyholder or the Policyholder selling substantially all of its assets. Wrongful acts and omissions and insured events occurring after such time are not covered. See Section 7.4 of the policy.

Other Key Obligations of the Insureds

Defence and Settlement (Section 5.3 of the policy):

“All **Insureds** shall render all reasonable assistance to and cooperate with the **Insurer** in the investigation, defence, settlement or appeal of an **Insured Event** or circumstance, and provide the **Insured** with all relevant information pertaining to any **Insured Event** or circumstance, as the **Insurer** may reasonably require. In the event of any circumstance or **Insured Event** each **Insured** shall take reasonable steps to reduce or diminish any **Loss**.”

“The **Insured** shall have the obligation to defend and contest any **Claim** made against them. The **Insurer** shall be entitled to participate fully in the defence and in the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer** making a payment under the policy.”

Insurer’s Consent (Section 5.4 of the policy):

“The **Insured** shall not admit or assume any liability, enter into any settlement agreement, or consent to any judgment or incur any amounts covered by this policy without the prior written consent (which shall not be unreasonably delayed or withheld) of the **Insurer**.”

Subrogation (Section 5.8 of the policy):

“In the event of any payment under this policy, the **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds’** rights of recovery, contribution and indemnity and the **Insureds** will provide all reasonable assistance and will do nothing to prejudice such rights.”

Making a claim under the policy

To make a claim under the policy, all notifications must be in writing to:

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

or by e-mail to Claims.DO@aig.com

Section 5.1 of the policy sets out insureds’ obligations when making a claim, including the requirement that notice is given as soon as practicable.

Failure to comply may result in the insurer not having to pay the claim.

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 &
Professions Claims, AIG,
The AIG Building, 58 Fenchurch Street,
London, EC3M 4AB
Call: +44 (0)20 7954 7000
E-mail: claims.fl2@aig.com

All other complaints

Write to: Customer Relations Team, AIG,
The AIG Building, 2-8 Altyre Road,
Croydon, CR9 2LG
Call: 0800 012 1301
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. The Customer Relations Team number above may not be available from outside the UK – so please call from abroad on +44 20 8649 6666. 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 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.

The following applies if AIG Europe S.A. is the insurer, or an insurer, of the Policy:

As AIG Europe S.A. is a Luxembourg authorised insurance company, you may, in addition to the complaints procedure set out above, send any complaint you may have regarding AIG Europe S.A. to AIG Europe S.A., which can be contacted in writing at AIG Europe S.A., 35D Avenue JF Kennedy L- 1855 Luxembourg, Grand-Duchy of Luxembourg, by telephone: +352 2700 72 01 or e-mail: luxembourg.complaints@aig.com. AIG Europe S.A. will acknowledge the complaint within 10 business days of receiving it and provide an answer within one month (unless specific circumstances prevent AIG Europe S.A. from doing so, in which case you will be informed). If you are not satisfied with the AIG Europe S.A.'s response, you may contact the Luxembourg Commissariat Aux Assurances (CAA) by writing to CAA, 11 rue Robert Stumper, L-2557 Luxembourg, Grand-Duchy of Luxembourg, by email at reclamation@caa.lu or online through the CAA website: www.caa.lu. Following this complaints procedure or making use of one of the options above does not affect your right to take legal action.

Financial Services Compensation Scheme (FSCS)

American International Group UK Limited is covered by the FSCS. If it is unable to meet its 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.

AIG Europe S.A. is not covered by the FSCS.

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, AIG, The AIG Building, 58 Fenchurch Street, London EC3M 4AB, UK or by email dataprotectionofficer.uk@aig.com

AIG Europe S.A.'s Privacy Policy is available at www.aig.lu/en/privacy or by requesting a copy from: Data Protection Officer, AIG Europe S.A. 35D Avenue John F Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg or by email to: dataprotectionofficer.lu@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.

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

Outsourcing by AIG Europe S.A.

The following applies if AIG Europe S.A. is the insurer, or an insurer, of the Policy.

The Policyholder acknowledges and expressly accepts that AIG Europe S.A. may outsource certain services, activities or tasks to external providers (which may or may not be (a) regulated; or (b) located in the Grand-Duchy of Luxembourg) (the **Service Providers**).

In this context, the Policyholder expressly accepts that any data which it has provided to AIG Europe S.A., including data which may directly or indirectly identify the Policyholder, or a beneficial owner or an authorized representative of the Policyholder, may be communicated to Service Providers. The transfer and/or disclosure of information to Service Providers may continue as long as the Policyholder maintains its insurance relationship with AIG Europe S.A..

The list of outsourced services as well as the country of establishment of the Service Providers is available on AIG Europe S.A.'s website at the following address: www.aig.lu/en/professional-secrecy which will be updated from time to time. The Policyholder acknowledges (a) having read and accepted this list (b) that it will visit the website from time to time should it wish to access the most up to date list.

The Insurer

Before the Policyholder purchases the policy, it will be informed whether its insurer for the policy will be American International Group UK Limited or AIG Europe S.A. or both.

American International Group UK Limited

American International Group UK Limited is registered in England: company number 10737370. Registered address:

The AIG Building, 58 Fenchurch Street, London, EC3M 4AB. American International Group UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN number 781109). This information can be checked by visiting the FS Register (www.fca.org.uk/register).

AIG Europe S.A.

AIG Europe S.A. is an insurance undertaking with R.C.S. Luxembourg number B 218806. AIG Europe S.A. has its head office at 35D Avenue John F. Kennedy, L-1855, Luxembourg. AIG Europe S.A. is authorised by the Luxembourg Ministère des Finances and supervised by the Commissariat aux Assurances 11 rue Robert Stumper, L-2557 Luxembourg, Grand-Duchy of Luxembourg, Tel.: (+352) 22 69 11 - 1, caa@caa.lu, www.caa.lu/. AIG Europe S.A. is deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority (FRN number 818443). This information can be checked by visiting the FS Register (www.fca.org.uk/register). Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

AIG Europe S.A. is a public limited company (société anonyme) incorporated in the Grand-Duchy of Luxembourg. AIG Europe S.A., UK Branch is registered in England and Wales respectively with branch establishment numbers BR020570. Registered branch office address: The AIG Building, 58 Fenchurch Street, London, EC3M 4AB, United Kingdom.

