



Investment Management Insurance

Investment managers face an unprecedented array of potential professional and management liability exposures, any of which can result in devastating litigation, regulatory proceedings or a written demand by a dissatisfied client. Even if an investment manager does nothing wrong, defence and settlement costs can escalate to millions of dollars and result in immeasurable damage to an investment manager's reputation and bottom line. Here is an umbrella program that provides protection for the Professional Indemnity (PI), Directors & Officers (D & O) and Crime exposures faced by the fund manager and its funds under management

What does it cover?

This specialised policy comprises five tailor made covers :

- Professional liability of the investment manager and fund
- Management Liability of the Directors & Officers
- Direct financial loss suffered as a result of employee infidelity or third party crime
- Advancement of defence costs and "pay on behalf" language

Who are Insured?

- Fund which includes managed investment scheme, investment trust, sub-fund or sub-trust
- Director & Officer which includes defacto - director, general partner in a Fund, an employee who acts as director and a compliance committee member
- Automatic cover for outside entity directors, supervisory board of an outside entity, sub-fund manager, and investment advisors .
- Also covers solicitors retained by insured, trustees and fiduciaries of insureds' pension plans, outsourced service providers, ex-employees for certain days and unidentifiable employees

What are covered?

Investment Management Insurance offers coverage features that address many of the most important professional and management liability exposures faced by investment managers such as:

- Breaches of investment mandates
- Trading errors
- Inappropriate asset allocation, investment advice or product design
- Failure to perform due diligence in the selection and oversight of outside service providers
- Inadequate disclosure in offering documents or ongoing reporting requirements
- Client losses resulting from employee theft from funds
- Administration errors in unit pricing, calculating investor returns or statements of member benefits
- Fee disputes
- Regulatory investigations

Cover Extensions

- Automatic new fund and subsidiary cover
- Investigation costs - covers for fees, costs and expenses incurred for investigation by regulatory bodies even in the absence of specified wrongful act.
- Emergency costs incurred without insurer's prior consent
- Court attendance costs : up to US\$500 per day when appearing as a witness to a covered claim under the policy.
- Covers claims for loss of documents
- Costs of crisis management provider to mitigate impacts of crisis events
- Costs of public relation consultants to mitigate adverse effect of insured persons reputation due to a claim
- Additional Directors cover – dedicated separate excess limit for policyholder's directors when the policy limit is exhausted, providing additional protection for these directors.
- Management liability run-off for retired insured person
- Insured person tax liability - covers individual insured if they are responsible for the corporate taxes where the insured entity or outside entity is not able to pay corporate taxes due to insolvency (unless the liability is a result of the individual insured's criminal, dishonest or fraudulent breach of law or regulation).
- Continuity Cover to provide certainty at renewal
- Worldwide Cover



WHY COMPANIES CHOOSE GUOTAI JUNAN AS INSURANCE BROKER

You can be sure that you have a dedicated partner in Guotai Junan. Guotai Junan has led the trend in the industry with a strong innovation capacity, with an extensive network of business and a full range of services. Through its insurance consultant role in financial service department, Guotai Junan offers:

Experience and expertise – our staffs have more than 25 years experience in advising the complex risks of corporate business leaders and our broad network presence means a company's management leadership has a trusted ally no matter what kind of business nature they are.

Innovation – we work closely with over 30 insurance companies and we are regularly reviewed with them to ensure their products ensure they address current issues and customer needs.

Claims philosophy of fairness – our claims professionals are highly seasoned in Directors & Officers' liability matters and are committed to a high level of professionalism, open dialogue and experienced to handle disputes with insurers.

