



# Product Profile

## PrivateEdge Insurance



In Singapore's increasingly litigious business environment, companies and their directors and officers are subjected to ever more onerous duties and responsibilities, and face a growing risk of being the target of legal action as a result of the management and business decisions they take.

In spite of this exposure, a significant number of directors and officers do not have adequate management liability insurance in place.

PrivateEdge Insurance provides a comprehensive and flexible protection for the insured to manage potential liability resulting from the action or inaction of their directors and officers and the employment practices they implement.

### COVERAGE HIGHLIGHTS:

#### Management and Corporate Liability Cover

PrivateEdge reimburses the Company, its directors or officers for the loss resulting from any claim alleging a wrongful act. The coverage highlights are as follows:

- Protection for company and natural persons
- Additional indemnity limits for board directors
- Defense costs relating to breach of contract claims
- Identity Fraud coverage for the Company when any party other than an employee of the insured Company fraudulently represents the insured Company

- Crisis event – public relations consultant
- Investigation costs coverage
- Public Relation expenses for corporate manslaughter
- Bodily injury and property damage defense costs
- Emergency costs - coverage for defense cost incurred before written approval is obtained from the Insurer if Insurer's consent cannot reasonably be obtained.
- Civil fines and penalties where insurable by law
- Lifetime discovery period for retired managers
- Extradition costs
- Insured Person's Tax Liability Cover
- Asset and Liberty Cost ensures timely defense when an asset is confiscated or the liberty of the director or officer is restricted.
- Public relations expenses other than Crisis Event expenses
- Court attendance allowance
- Reproduction cost of lost or damaged documents
- Automatic cover for new subsidiaries
- Continuous cover provision – provides cover for claims not notified prior to commencement of renewed policy period (thereby providing incentive for renewal)

### COVERAGE HIGHLIGHTS:

#### Employment Practices Liability Cover

This extension pays the loss of the Company resulting from any claim alleging an employment practices breach.

- Employee includes part-time, seasonal, temporary workers and independent contractors in certain cases.
- Protection against employment related liabilities such as wrongful termination/ dismissal of employment
- Employment practices breach includes employment related emotional distress, mental anguish and humiliation

### Indemnity Limits:

A quotation can be provided to eligible clients on site up to the following limits of liability with the completion of the Quick Application Form. Higher limit of liability options are also available on request.

Management and Corporate Liability : S\$5million

Employment Practices Liability : S\$1 million

### Target Market

All privately-owned companies with total assets size less than S\$50 million (other than financial institutions).



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### Quick Facts

- One Page Instant Quotation
- Option for Entity Employment Practices Liability cover
- Option for Kidnap and Ransom Insurance

### Claim Examples

The following scenarios are based on actual claims and are provided by way of illustration only to demonstrate the potential scope of cover only and not to be relied on to justify coverage in any particular situation. Note that we have changed details to ensure confidentiality. Each claim will be considered in the context of the specific facts and circumstances which are the subject of the claim.

### D&O / CORPORATE and EMPLOYMENT PRACTICES LIABILITY:

#### Breach of Contract

An entity was sued by its former agents after it terminated their contract in order to replace them with fulltime staff. The agents sued for non-payment of commission.

#### Defense for public enquiry

An entity was concerned about a forthcoming public enquiry, which it feared could have a major impact on its business. AIG funded the professional costs of preparing directors for the questioning they faced when attending the investigation and succeeded in defending the company's position.

#### Discrimination

A female employee was made redundant and complained she was humiliated by her line manager who constantly insulted her in front of colleagues.

### Fire Safety Regulations

Directors were prosecuted by a local authority after persistently failing to comply with fire regulations. They claimed that the alterations required to be made to their premises by the local authority were unnecessary. AIG funded the defense of the directors and a successful outcome was achieved.

### Misconduct

An employee was dismissed after sending a stream of offensive emails to colleagues about one of his senior managers. However the employer failed to follow proper process in dismissing the employee and the case was settled for a 5 figure sum.

### Unfair dismissal

An employee was dismissed for non-attendance at work even though her employer knew she was pregnant. Her employer claimed that the manager who dismissed her was not aware of her pregnancy. Notwithstanding the production by the employee of confirmation from her doctor, the company failed to reverse its decision to dismiss her. The case was settled for a 5 figure sum.



## Bring on tomorrow

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