

# INVESTMENT MANAGER INSURANCE

## At a glance

### Definition

**Investment Manager Insurance (IMI) policies** offer liability cover for individuals and entities to protect their exposure in respect of Directors & Officers Liability, Professional Indemnity Liability, Financial Fidelity (Crime) Losses, and Cyber Losses & Liability.

### Why is product relevant



Coverage offered for a specific FI industry type (Investment/Asset Manager)

A blended/combined insurance product covering D&O, PI, Crime & Cyber

Both combined and separated capacities are possible

#### Who is covered?\*

- Investment and asset manager
- Asset management entity

#### What is covered?\*

- Wrongful act of an insured in terms of D&O, PI and Cyber
- Losses from crime, financial fidelity and cyber
- Costs and expenses of an insured

#### Who can claim?\*

- Stockholders, investors, creditors, banks
- Supervisory board
- The company itself, employees
- Regulators, state authorities, professional unions
- Customers, suppliers, competitors

\*subject to terms and conditions of the respective insurance policy



**D&O claim:** a manager allegedly fails to perform his/her management role – the consequences upset a few people (internal and/or external claimants): they decide to sue the manager – the manager is informed of the claim against him/her – he/she contacts the Legal and Risk Management departments – the Legal and Risk Management departments decide to inform their D&O broker/insurer and provide a description of the claim – if the claim is covered, the insurer pays for the defense costs\* – if the claim is covered and the case is lost, the insurer pays for the loss and the defense costs\*



**PI:** an employee allegedly fails to perform his/her employee role – the consequences upset a few people (external claimants): they decide to sue the employee or the entity – the employee and the entity is informed of the claim against him/her – he/she contacts the Legal and Risk Management departments – the Legal and Risk Management departments decide to inform their PI broker/insurer and provide a description of the claim – if the claim is covered, the insurer pays for the defense costs\* – if the claim is covered and the case is lost, the insurer pays for the loss and the defense costs\*



**Cyber:** a cyber security incident occurs – a third party makes a claim against the entity or the entity is affected by a cyber incident – the entity should immediately inform its insurer – the insurer initiates expert response services and crisis management provided by partners – the policy pays for the immediate crisis management costs – the policy pays for ongoing claims costs – after incident has been resolved, covered costs are paid



**Crime:** a criminal act occurs – a third party makes a claim against the entity or the entity is affected by the Crime – (similar to cyber)

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Contact