



# Public Offering Liability Insurance

A company going through an initial public offering (IPO) needs a **Prospectus Liability Insurance (PLI)** Policy. Claims can emanate from misrepresentation, error or omission and breach of duty etc. based upon a prospectus or negotiation, discussion, decisions and presentations connected to the process of the public offering.

Actions against directors and professionals related to IPO can track back to 6 years longest and even unfounded allegations can be extremely stressful, expensive and time consuming to defend.

D&O Liability Insurance are offering wide insurance coverage to directors and officers at board, board committee and management level for the legal and regulatory exposures they face.

## Who is Insured?

Directors, officers & employees of publicly & privately owned companies, including:

- Definition of directors or officers covers all types of past, present and future directors (executive and non-executive) and officers.
- Managerial and supervisory employees
- All employees for employment related wrongful acts
- Trustee
- Outside Directors
- Shadow directors
- Spouse

## What is covered?

- **Investigation** — includes regulatory inquiries by governmental, regulatory, self-regulatory, professional, trade or official bodies or institutions including monetary authorities or stock exchanges.
- **Legal Representation Expenses** — expressly includes costs of preparing for the attendance at or provision of documents to an investigation.
- **Outside Directorship Liability** — extends to any qualifying outside entity on an automatic basis, otherwise cover can be provided with Insurers' consent.
- **Civil Fines and Penalties** — new extension providing cover for fines or penalties on a worldwide basis.
- **Occupational Health & Safety, Corporate Manslaughter Cover** — cover available for Defence Costs, Legal Representation Expenses, Prosecution and Reputation Protection Costs and Crisis Expenses incurred in the defence of an OH&S claim.
- **Prosecution and Reputation Protection Costs** — covers the Insured Person's costs in overturning disqualification orders; charges on their assets or orders confining them. Additionally, covers public relations costs in mitigating any negative statements made about a director or officer by specific bodies. Subject to a sub limit.
- **Insured Person's Tax Liability Cover** — new extension that covers the Insured where he is held liable for the unpaid taxes of a financially impaired Organisation.
- **Dedicated Additional Limit of Liability for Directors & Officers** — a discrete limit for directors and officers in addition to the limit of the policy.
- **Retired Directors and Officers** — are covered for at least 7 years for no additional premium when certain conditions are met.
- **Crisis Expenses** — covers any public relations, crisis management or executive search expenses incurred due to a Claim, Investigation, the disability, death or resignation of key directors and officers and a number of other perils
- **Bail Bond & Civil Bond Expenses** — expressly covered.



## 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 Public Offering liability matters and are committed to a high level of professionalism, open dialogue and experienced to handle disputes with insurers.

