

## **WHAT IS DIRECTORS & OFFICERS LIABILITY (D&O)?**

If your company has Directors or Key Managers (Officers), Directors & Officers Liability Insurance can cover the cost of compensation claims made against them by shareholders, investors, employees, regulators or third parties.

Directors & Officers of a business have specific duties, responsibilities and powers relating to their positions. These are usually set out in their job description or terms of reference. If a director or officer is found to have acted outside of their terms of reference, civil, criminal or regulatory proceedings can be brought against them

Directors & Officers Liability Insurance covers the cost of defending these proceedings, as well as any compensation costs arising from an unsuccessful defence.

## **WHAT IS COVERED BY DIRECTORS & OFFICERS LIABILITY (D&O) INSURANCE?**

Directors & Officers Liability Insurance covers claims made against individual directors & officers of the company by:-

- Regulators such as the HSE or Office of Fair Trading
- Shareholders or Investors for failing to act in the company's best interest
- Creditors
- Breach of Legislation
- Insolvency

Employment Practices Liability Insurance is an optional extension to D&O Insurance that can be bought to cover Employee Discrimination claims such as unfair dismissal, harassment or failure to promote.