



QuickQuote MANAGEMENT LIABILITY - COMMERCIAL ENTITIES

Short Application Form for GBC1 & GBC2's

Valid October 2011 till further notice

Return Application to: ML@swan.mu

Management company :						
Address:						
Email Address:						
Telephone Number:						
VAT Number:						
Total Turnover: USD \$						
STEP 1 -						
Based on the Turnover of the Insured for the Latest Financial Year please Tick (✓) the box that indicates the Premium for the Limit of Liability required						
All figures in ZAR	Limit of Liability (Each and Every Claim / In The Annual Aggregate)					
	\$ 100,000		\$ 200,000		\$ 300,000	
	Annual Premium		Annual Premium		Annual Premium	
	\$ 500		\$ 540		\$ 580	
Turnover	\$ 0m - \$ 1.25m		\$ 1.25m - \$ 6.25m			
	\$ 550		\$ 620		\$ 680	
Premium payment will be	ANNUAL					
Premiums quoted are Annual Premiums and include local fees, taxes, commissions, administration and underwriting fees						
(Note: If the Gross Turnover exceeds \$ 6.25m or a Limit greater than \$ 300,000 is required, please complete the standard Management Liability Insurance Proposal Form. Upon receipt of the Proposal form the Underwriters will assess the application and revert with terms).						
STEP 2 - Confirmation of the Insured's status						
I/We confirm that:						
1) The Insured is NOT publicly listed on any Stock Exchange						
2) The Insured is NOT a Financial Institution, a Pharmaceutical or Bio-Technology company.						
Definition of a Financial Institution:						
*A bank, clearing house, credit institution, undertaking for collective investment in securities, investment firm, investment advisor/manager, investment fund or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or similar entity						
3) The insured entity is domiciled in Mauritius						
4) Has any named entity declared a negative net worth in the last accounts (total assets exceeded total liabilities)?						
5) The insured entity has NO assets, business, or clients in North America						
6) In the last five years, there have been NO claims and or investigations made against you or any named entities, its directors, officers or employees which may have been covered by this policy had it been in force?						
7) After enquiry, the company or its directors, officers, or employees are NOT aware of any fact, circumstance, allegation or incident which may give rise to a claim under the proposed policy?						
(Note: If your answer is "NO" to any of the above except QUESTION 4, please complete the standard "Management Liability Proposal Form" Upon receipt of this Proposal Form the Underwriters will assess the application and revert with terms). If you answered "YES" to QUESTION 4 then an Insolvency Exclusion automatically applies						
STEP 3 - Sign the Declarations						
I/We declare that the statements and particulars in this application are true and that no material facts have been misstated, misrepresented or suppressed after enquiry. I/We agree that this application, together with any other information supplied by me/ us shall form the basis of the contract of insurance effected between the Insurer and me/ us. I/ We undertake to inform the Insurer of any material alteration to those facts occurring before the completion of the contract of insurance. I/We confirm that we understand and accept the Conditions stated below.						
During the analysis we have identified the following need and the reason why the particular product was decided on.						
Product recommended		Reason				
Management Liability Insurance		Issued to Protect Directors and Officers from legal Liability				
Declaration by client:						
1. I confirm that I received a disclosure letter in respect of the above Financial Services Provider (FSP) or it's representative						
2. I confirm that this client Advice record and all other forms/ documentation furnished to me by the FSP or authorised representative for purposes of my signature, were completed in full before I signed them.						
3. I was given a final quotation for the product recommended and listed in this Client Advice Record, and furnished with full and comprehensive information regarding the Signature:						
Name and Title: _____ Date: _____						
(Authorized signatory of the company)						
Conditions						
1) The policy wording applicable is the AIG Management Liability and it is subject to the following additional variations:						
- North America Exclusion						
- Economic Sanctions Endorsement						
- Insolvency Exclusion - should Step 2 (4) be answered "No"						
2) This quotation is valid for 30 days from the date the Declaration is signed.						
3) Confirmation of Cover will be provided only if this form is fully completed and received by Southern Cross Mauritius within 10 business days of the signature date above; or prior to expiration of this quotation, whichever is the earliest.						



Product Profile & Frequently asked Questions

DIRECTOR PROTECTOR

1. What is a Directors and Officers Liability Insurance policy?

The D&O policy protects directors and officers from claims which may arise from decisions and actions taken within the scope of their official capacities. This policy covers the personal liability of directors and officers as also reimburses the company in the event that it pays the claim on behalf of the directors or officers in order to protect them.

2. Who can sue a director?

Any third party affected by the decisions of the directors of the company can sue including regulators, shareholders, investors, competitors, employees, business partners, customers, lenders, suppliers etc.

3. Who is covered under the policy?

Past, present and future directors (including independent directors), officers of a company and employees in a managerial or supervisory capacity are covered under the policy. The policy also extends to protect the spouses, administrators and executors of the insured's estate as also coverage for outside directorships directed by the company.

4. What does the policy cover?

The policy primarily pays for defence costs and financial losses in the event of a claim. The policy also extends cover to costs incurred in the course of investigations by regulators and public relations expenses.

5. What are the key extensions available under the policy?

- Special excess protection for non executive directors
- Automatic coverage for new subsidiaries
- Emergency costs cover
- Prosecution costs, bail bond expenses and public relations expenses
- Kidnap response costs

6. What are the key exclusions under the policy?

- Dishonest and fraudulent acts
- Illegal remuneration or personal profit
- Existing or known claims or circumstances
- Property damage and bodily injury (defence costs are however available)
- Insolvency – If Insured answered NO to STEP 2 (3) of the Short Application Form

7. What are the most common claim scenarios in a D&O policy?

Typical claims under a D&O policy include allegations of:

- Breach of fiduciary duties
- Mismanagement of the company's operations or assets
- Non disclosures and misrepresentations in a company's private placement prospectus
- Violation of various statutes and laws / Government Agencies
- Misrepresentation during a sale of company's assets
- Conflicts of Interest / Deceptive Trade Practices
- Creditor Claim / Loan Default
- Conspiracy & Negligence
- Dispute over Inventorship / Misappropriation of Trade Secrets

8. What are the top 3 reasons to take out D&O cover?

- The owner's **personal net worth** in private companies is tied to the financial health of the company making costly D&O liability claims devastating.
- D&O insurance from a quality insurer provides companies with **access to quality attorneys** with the relevant knowledge and expertise to defend you.
- D&O insurance takes care of **costly defence costs**, thereby ensuring that a company's **cash flow remains unaffected**. The cost of defending corporate lawsuits may exceed the net worth of most private companies