



Management risks under control

Anyone entrusted with the demanding task of managing or administering a company should set high standards for their protection against liability risks. When you take out directors' and officers' liability insurance with AXA, you benefit from professional advice, you have our experience in the procedure for dealing with claims on your side, and you transfer the liability risks to AXA.

Liability with personal assets

Breaches of obligations occur far more often than you might think. A single negligent act or omission is already enough to render you personally liable. Directors' and officers' liability insurance reliably protects you against the financial consequences whenever losses are incurred by the partners (shareholders), creditors or the legal entity itself because you are in breach of an obligation.

Your advantages at a glance

- Defense against unjustified or excessive liability claims
- Compensation paid for substantiated claims
- Attractive customized conditions
- Extended coverage tailored to specific D&O risks
- Professional support in the event of a claim

Typical claims

Legal protection in criminal proceedings

Foundation A had substantial assets which it used to support needy students. A new board of trustees was appointed which then established that the foundation's financial circumstances were much worse than was assumed. The new board accused the former trustees of entering into high-risk investments in contravention of the foundation's regulations. The district attorney opened criminal proceedings on account of suspected management fraud, among other charges. AXA financed the defense lawyer based on the claim notified by the former trustees.

Breach of duty of oversight

For years, B AG's accountant was siphoning off substantial amounts from B AG's accounts and using the money for his own purposes. After the embezzlement was uncovered, the accountant was convicted under criminal law and obligated to repay the money. B AG's attempts to enforce its claim against the accountant met with no success, so the company took legal action against the members of its board of directors. It was alleged that they should have noticed the embezzlement and in particular, they were accused of failing to set up a functioning internal control system.



Every third SME is insured with AXA
The #1 for advice and service

Insured persons

The insurance covers all former, current and future directors and officers of the policyholder, its subsidiaries and sub-subsidiaries in their capacity or function as:

- Members of boards of directors
- Board members of cooperative societies
- Managing directors of limited liability companies (GmbH)
- Board members of associations
- Trustees
- Members of executive boards/management (incl. interim management)
- Members of senior management and of internal audit units
- Founders
- Liquidators, in case of voluntary liquidation
- Employees who exercise a de-facto function as director or officer

The insurance also covers:

- Deputies/substitutes for an insured director or officer
- Employees with no function as director or officer who, jointly with an insured person, face claims arising from activities as a director or officer
- Members of the internal occupational benefits fund commission
- Persons seconded to third-party companies as directors and officers (third-party mandates)

Comprehensive benefits

- Compensation paid for substantiated claims
- Defense against unsubstantiated or excessive claims
- Coverage of interest, costs of loss minimization and expert opinions, lawyers' fees, court and mediation fees, and counterparty's legal expenses
- Future risk coverage for newly added directors and officers, subsidiaries and third-party mandates
- Legal protection in criminal and administrative proceedings (incl. investigation costs)
- Worldwide coverage (including USA/Canada)
- Waiver of gross negligence defense
- Employment practices liability claims (EPL)
- Claims in connection with indirect/direct taxes and social insurance contributions
- Emergency costs and impending claims
- Loss-of-reputation costs
- Defense costs for proceedings relating to a ban on activities
- Costs in case of seizure of assets (including living expenses)
- Extradition costs
- Costs of psychological counseling
- Costs in case of self-declaration
- Costs in case of shareholder derivative actions
- Automatic premium-free pre-existing conditions insurance on conclusion of contract
- Automatic premium-free insurance of subsequent risk for:
 - directors and officers who leave during the contract term
 - subsidiaries that are discontinued during the contract term
 - third-party mandates that are terminated during the contract term
- Waiver of AXA's right of termination in the event of a claim
- Tacit renewal of the insurance contract
- Waiver of application of Art. 55, Insurance Contract Act (ICA) (cancellation of contract in the event of bankruptcy)
- Extended limitation period for claims arising from indemnities

Professional support in the event of a claim

- Specialized claims department with over 15 lawyers and auditors offers optimal claims handling
- Close collaboration with the insured person in case of a claim
- The costs of the claims department are neither charged to the deductible nor deducted from the amount of insurance
- 24-hour claims hotline (0800 809 809)

The scope of coverage valid in an individual case is shown in the policy and the applicable contract conditions.



Do you have any questions? We would be glad to advise you on directors' and officers' liability insurance in more detail

www.axa.ch/organhaftpflichtversicherung