



ASTONLARK

Management Liability - An overview

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What is Management Liability?

Management Liability is the name given to a suite of complementary covers designed to offer legal protection for you, your fellow Directors & Officers and your company for wrongful acts you have, or are alleged to have, committed.

There are three sections to this suite of covers:-
Directors & Officers Liability (**Core Cover**),
Employment Practices Liability (**Optional**) and
Corporate Legal Liability (**Optional**)

Each section has its own role to play in protecting the **assets** of the **individual directors** and of the company itself from the costs of lawsuits and legal actions.

Directors & Officers – A brief explanation

What is Directors & Officers?

Directors and Officers Liability Insurance provides protection for the directors and officers of a company for claims against them for wrongful acts committed solely by reason of their acting as a director or officer of a company. Wrongful acts include actual or alleged:

- breach of trust
- breach of duty
- neglect/error/omission
- libel and slander
- misstatement
- breach of warranty of authority
- wrongful trading

Cover

- Cover for legal costs, expenses and any civil damages awarded against you.
- Reimbursement to the company if it pays out to protect you.
- Broad definition of 'insured person', including employees acting in a managerial role.
- Automatic cover for spouses, heirs and legal representatives named in proceedings.
- Legal representation expenses (up to the policy limit). (Additional Extensions to Cover are also included as standard).

A company's status as Ltd offers financial protection for the shareholders only. It does **NOT** protect the company's directors from the consequences of their business decisions and activities, which may, under law, result in unlimited personal liability to the extent of their entire financial worth.

The **personal assets** of a director are at risk as a result of a wrongful act, actual or alleged!

Employment Practices Liability – A brief explanation

What is Employment Practices Liability?

Employment Practices Liability Insurance protects your company against financial loss from claims made by employees for a wide range of employment practice violations, including unfair dismissal or discrimination on grounds of sex, race, disability, religion, belief or sexual orientation. The policy covers the cost of defence, awards, settlements and legal representation.

Cover

- Cover for legal costs, expenses and civil damages awarded against the company, including legal representation expenses.
- Automatic cover for new or acquired subsidiary companies (subject to the size of the new company).
- 90-day discovery period.
- Pre-agreed rates for extended reporting periods.
- Wide definition of employment wrongful act.

Extensions to Cover

- Disability obligation defence costs.
- Employment payments defence costs.
- Injunction and non-monetary relief defence costs.
- Employee reinstatement defence costs.

This cover protects your **company's assets** from the costs of legal action brought against it in relation to employment practice violations.

Corporate Legal Liability – A brief explanation

What is Corporate Legal Liability?

Corporate Legal Liability Insurance protects your company against the financial consequences of a wide range of claims made against it. Policy cover includes the cost of defence, and in some cases the amount of awards and damages, as a result of claims and prosecutions made against the company in a wide range of situations including:-

- breach of trust or duty
- neglect/error/omission
- prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007
- infringement of copyright or intellectual property
- breach of contract
- libel and slander
- misstatement
- pollution

Cover

- Cover for defence costs, and in some cases awards and damages.
- Breach of contract defence costs (up to £100,000 in any one period of insurance).
- Copyright infringement defence costs (up to £100,000 in any one period of insurance).
- Corporate manslaughter defence costs (up to £100,000 in any one period of insurance).
- Pollution defence costs (up to £100,000 in any one period of insurance).
- Health and safety investigation costs (limit of £100,000 in any one period of insurance).
- Identity fraud investigation costs (limit of £50,000 in any one period of insurance).
- Crisis event and reputation costs (up to £100,000 in any one period of insurance).

This cover protects your **company's assets** from the costs of legal action brought against it.



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