

# CNA Management and Professional Liability

## Individual Solutions

### Coverage and Policy Overview

Individual Solutions is a Side A policy with Difference in Conditions (DIC) coverage for Directors and Officers

- Available as primary coverage or follow form excess coverage over a standard D&O liability policy
- Provides Difference in Conditions (DIC) coverage when written on an excess basis
- Recognizes exhaustion of underlying limits by either the underlying insurer or Insured
- On an excess basis, coverage triggers include Underlying Insurer's:
  - refusal to indemnify
  - financial inability to indemnify the Insureds or
  - rescission of the Underlying Insurance
- Coverage available for claims brought by a bankruptcy trustee or creditors committee of the Entity
- Substitute payment provision provides for excess coverage if the underlying insurance cannot pay due to an automatic stay order.
- Independent Director-only coverage is available

### Coverage Limits

- Up to \$25,000,000

### Coverage Highlights

- Policy is fully nonrescindable
- Full severability of knowledge, representations and warranties; full severability of conduct exclusions
- Coverage for extradition costs included in definition of Defense Costs
- Broad definition of Insured Persons includes governors (corporations) and management committee members (JV)
- Definition of Loss includes coverage for violations of Section 11 or 12 of the Securities Act of 1933 and carve back for civil penalties assessed against an Insured Person under the Foreign Corrupt Practices Act.
- Blanket Not For Profit Outside Entity Coverage extends to all not for profits, not just 501(c)(3)
- Punitive damages are covered where insurable under law
- No Insured v. Insured, Pollution, Prior or Pending Litigation or Prior Notice exclusions
- Conduct exclusions contain Independent Director Claim carve back, triggered by final adjudication and do not apply to defense costs with Independent Directors approval
- BI/PD exclusion does not apply to claims brought by securities holders or made against directors of the entity
- Claims by the Entity exclusion includes carve backs for Executive Officers if their participation or assistance in the action is in compliance with a subpoena and Claims where legal counsel determines such action is necessary to prevent further liability of any other Insured Persons.
- Policy is non-cancelable by CNA except for non-payment of premium
- CNA may not subrogate against an Insured unless one of the conduct exclusions applies
- ADR provision contain options that both insured/insurer must agree upon
- Worldwide coverage affirmatively stated

### For more information:

#### Commercial Companies:

Thor Beveridge  
CNA  
1249 South River Road  
Cranbury, NJ 08512  
(609) 395-4225  
thor.beveridge@cna.com

#### Financial Institutions:

Tom Kocaj  
CNA  
40 Wall Street  
New York, NY 10005  
(212) 440-3753  
thomas.kocaj@cna.com

