

# Investment Management Solutions for **Asset Managers**



We can show you more.®



FINANCIAL INSTITUTIONS

## Reliable protection for an ever-changing industry.

CNA's enhanced Investment Management Solutions Form provides essential management and professional liability coverage to meet the ever-evolving needs of today's asset managers. Underscoring CNA's commitment to the financial institutions industry, our new customizable form ensures that your clients remain protected in an uncertain financial environment.

Available for purchase individually, stand alone, or in conjunction with one another, coverage parts within the form include:

- Investment Adviser Professional Liability
- Investment Adviser Management Liability
- Mutual Fund Management and Professional Liability
- Hedge Fund Management and Professional Liability

### Investment Adviser Professional Liability

- Insuring agreement now includes acts by any entity for whose acts the insured becomes legally liable
- Definition of insured person now includes advisory board members of an insured entity
- Updated definition of professional services
- Amended definition of Insured versus Insured (I v. I) to include:
  - Whistleblower Carve-back
  - Claims brought by a fund

### Investment Adviser Management Liability

- Shareholder Derivative Demand Investigation Costs Sublimit
- Carve-back to BI / PD Exclusion for a Securities Claim
- Amend Carve-back to I v. I for former executives from four to two years

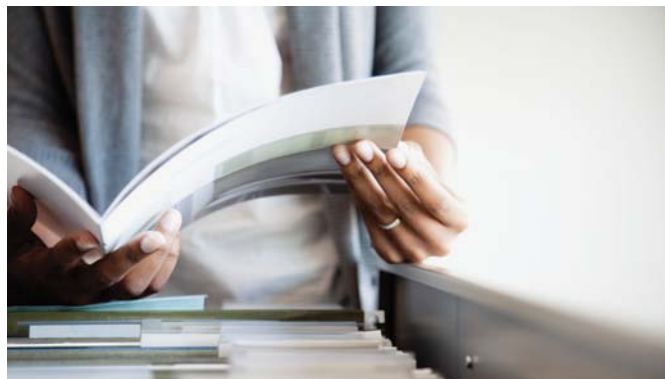
### Mutual Fund Management and Professional Liability

- Definition of insured person now includes advisory board members of an insured entity
- Updated definition of professional services
- Carve-back to I v. I exclusion for whistleblower activity

### Hedge Fund Management and Professional Liability

- Definition of insured person now includes advisory board members of an insured entity
- Enhanced definition of professional services
- Carve-back to I v. I exclusion for whistleblower activity

*See reverse for General Terms and Conditions*



## General Terms and Conditions

Service provider coverage for Subsidiary Administrator, Transfer Agent, and Distributor

### Definitions

- Revised definition of application to documents filed with the SEC within one year
- Enhanced definition of Claim to include
  - Extradition costs
  - Wells notice language
  - Request to toll the statute of limitations
- Definition of employee includes independent contractors
- Updated definition of executive to include equivalent in a foreign jurisdiction
- Enhanced definition of loss to include
  - Sox 304 / Dodd-Frank 954 costs for D&O's
  - Does not preclude coverage under Section 11, 12 or 15 where security coverage is otherwise provided
  - Penalties assessed against any insured person pursuant to FCPA
  - Bump Up Exclusion with Defense Costs and Non-Indemnifiable Loss Carve-back
- Definition of mutual fund now includes funds that were once managed by the insured, but are no longer, for Wrongful Acts that occurred while it was owned or managed by such insured

### Exclusions

- Illegal Profits / Deliberate Acts Exclusion as determined by a final and non-appealable adjudication in the underlying action
  - Carve-back for acts or omissions treated as a criminal violation in a Foreign Jurisdiction, but not treated as one in the U.S. is not conclusive proof of a deliberate fraudulent act
- Non-Indemnifiable Loss Carve-back for Pollution Exclusion
- Deletion of the REIT Exclusion
- Updated Violation of Law Exclusion

### Additional Terms and Conditions

- Presumptive Indemnification Section now defines "fail" as an Insured Entity failing to provide indemnity with 60 Days of such request
- Updated Territory Section
- Non-Rescindable for Non-Indemnifiable Loss
- Automatic coverage for mutual funds or hedge funds created by the named insured during the policy period
- Amended Assistance and Cooperation Section so that the failure of any insured person to cooperate shall not impair the rights of any other insured person
- Enhanced Subrogation and Recover Section
  - The insurer will not subrogate against an insured person unless there has been a final and non-appealable adjudication in the underlying action for Illegal Profits or Deliberate Acts
  - Reinstatement of the Limits of Liability for the amount recovered in the subrogation, less costs
- Updated Mediation section

To learn more about CNA's investment management coverage for asset managers, please contact your local CNA underwriter or visit [www.cna.com/financialinstitutions](http://www.cna.com/financialinstitutions).

