



Entity Coverage for SEC Investigations

Chartis, one of the world's leading Directors' & Officers' Liability insurers, has just introduced a new policy, Investigation Edge, which is designed to provide Issuers (corporate entities and their subsidiaries) with coverage that is not available to them under a Directors' & Officers' Liability ("D&O") insurance policy (or any other policy).

While many D&O policies now provide some amount of coverage under the new Indemnity Plus language for the costs associated with Investigations involving individual Directors/Officers, there is no coverage for the Company itself. Chartis' Investigation Edge policy is designed to fill this gap. Even though this is a distinct, stand alone policy, it might best be described as "Side C Plus".

Q&A

Does my D&O have to be with Chartis in order to buy Investigation Edge?

No - Chartis will provide Investigation Edge policies with few, if any, restrictions as to which carrier leads your D&O program.

What limits of insurance are available?

While Chartis has capacity up to \$25M, it is more likely to offer \$10M for most risks.

How much will it cost?

While each Company will be underwritten on its own merits, premium will be in the \$30-50,000 range per million of limit.

How do I get a coverage proposal for my Company?

All you need to do is to complete a brief application which WGA will provide to you upon request and you should have an initial proposal within 5-7 business days.

Are any other carriers offering this coverage?

Not at this time. Chartis introduced the policy on March 2, 2011.

Is this available to all companies in all industry sectors?

While each Company will be underwritten on its own merits, the Policy is not designed for Financial Services firms.

What else should I know?

Coverage is designed solely for Securities Violations tied to the '33 and '34 Acts (or similar Acts in other countries). There is both a retention (\$500,000 - \$1,000,000) and coinsurance (15%).

For more information, please contact your WGA Client Executive.