

What's changed?

The Beazley Boardroom Protect 2023 is the successor wording to the Advanced Boardroom and Company Protection wording and incorporates many enhancements that the market has routinely offered in recent years. The product, with its Beazley look and feel, has been redesigned and drafted with clear, concise and modern policy language.

We have listed below the main changes between the two wordings. Whilst this list is extensive, it may not be exhaustive, and we would recommend you undertake a full review.

Coverages

- Entity nominal defendant coverage for derivative suits
- Plaintiff attorney fees coverage for derivative suits
- Books and Records coverage (sub-limited)
- 'Inquiry Coverage Date' has been removed

Additional Coverages

- 45 day window for failure to advance by the Company (previously 60 days)
- A-Side Mitigation Costs coverage (\$250k sub-limit)
- Additional A-Side Limit for Independent Directors (\$250k limit)
- Foreign Accommodation Costs coverage (\$50k per person / \$ 250k aggregate sub-limit)
- Employed Lawyers Coverage (not subject to a sub-limit)
- Explicit aiding and abetting coverage
- Personal Asset Costs coverage (\$500k sub-limit)
- Personal Reputation Costs coverage (\$500k sub-limit)

Exclusions from cover

- Narrow Conduct Exclusion. Amended to 'for' language, underlying action and full defense carveout.
- 'Bodily Injury / Property Damage' Exclusion removed.
- 'ERISA' Exclusion removed. Definition of Wrongful Act amended to provide 'a-side' coverage for Fiduciary Wrongful Acts.
- 'Pollution' Exclusion removed. Definition of Loss amended to carveout clean-up costs, which negates the need to include lengthy nuclear exclusions.
- 'Company vs Insured' Exclusion removed.
- 'Corporate Takeover' Exclusion removed. Addressed elsewhere in Wording.
- Severability of Exclusions.

Claims Requirements and Information

- Non-prejudice language for notice of claim
- Language included to address where unable to notify a claim due to being prohibited by a regulatory
- Optional reporting of Investigations, Inquiries, Security Holder Demands and Books and Records Demands
- 14 day emergency defense costs coverage
- 60 day advancement
- Severability of Assistance and Cooperation
- Complete waiver of subrogation against insured persons

General Conditions

- Lifetime Retired and Resigned Insured Persons Extension Period
- Insolvency Optional Extension Period included (to be determined by Underwriters at the time of insolvency)
- Sanctions language
- Valuation and Currency Clause
- Pay the Parent Clause
- Conformance to Local Law Clause
- Conformance to Local Beazley Policies Clause
- Complaints

Definitions

- Enhanced definition of Defense Costs
- Enhanced definition of Facilitation Costs
- Enhanced definition of Inquiry
- Enhanced definition of Inquiry Costs
- Enhanced definition of Insured Persons
- Enhanced definition of Investigation
- Enhanced definition of Loss (includes plaintiff fees, mootness fees, fines and penalties where insurable (not subject to sub-limit), corporate taxes that the Insured Persons become liable where insurable (not subject to sub-limit) and bump-up clarification).
- Enhanced definition of Outside Entity
- Enhanced definition of Wrongful Act

The descriptions contained in this communication are for preliminary informational purposes only. The product is available on an admitted basis in some but not all US jurisdictions through Beazley Insurance Company, Inc., and is available on a surplus lines basis through licensed surplus lines brokers underwritten by Beazley syndicates at Lloyd's. The exact coverage afforded by the product described herein is subject to and governed by the terms and conditions of each policy issued. The publication and delivery of the information contained herein is not intended as a solicitation for the purchase of insurance on any US risk. Beazley USA Services, Inc. is licensed and regulated by insurance regulatory authorities in the respective states of the US and transacts business in the State of California as Beazley Insurance Services (License#: OG55497).