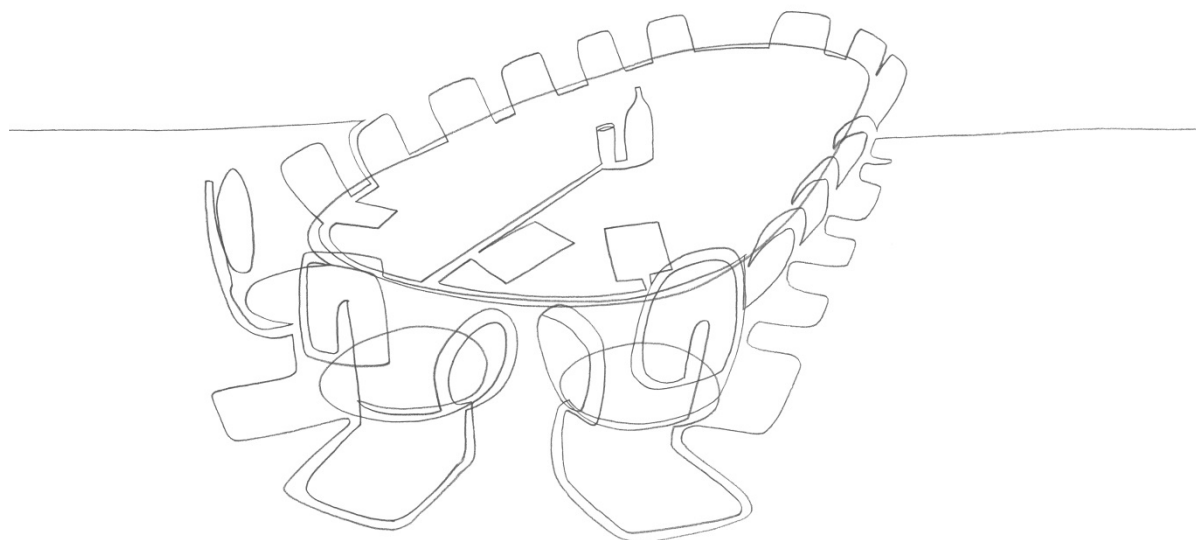


Entity Plus Coverage Introduction

for

Directors & Officers Liability – ABC Cover



beazley

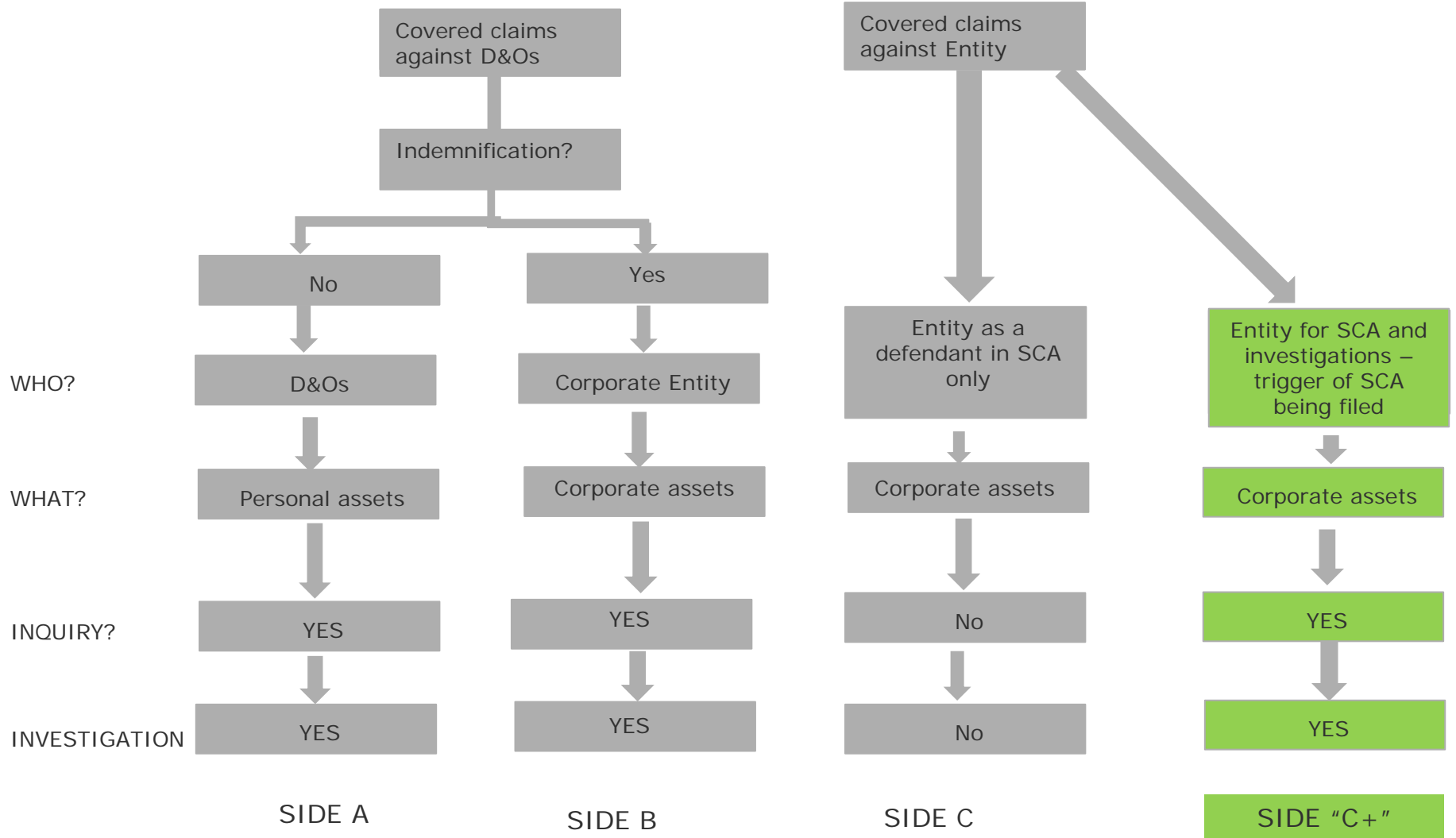
Agenda

- Current inquiry and investigation coverage – and our solution
- How the coverage works
- Examples of the co-insurance in practice
- Notification and policy periods
- Recap of what is in the endorsement
- Q&A



All examples here are merely illustrative and coverage would be subject to full terms and conditions

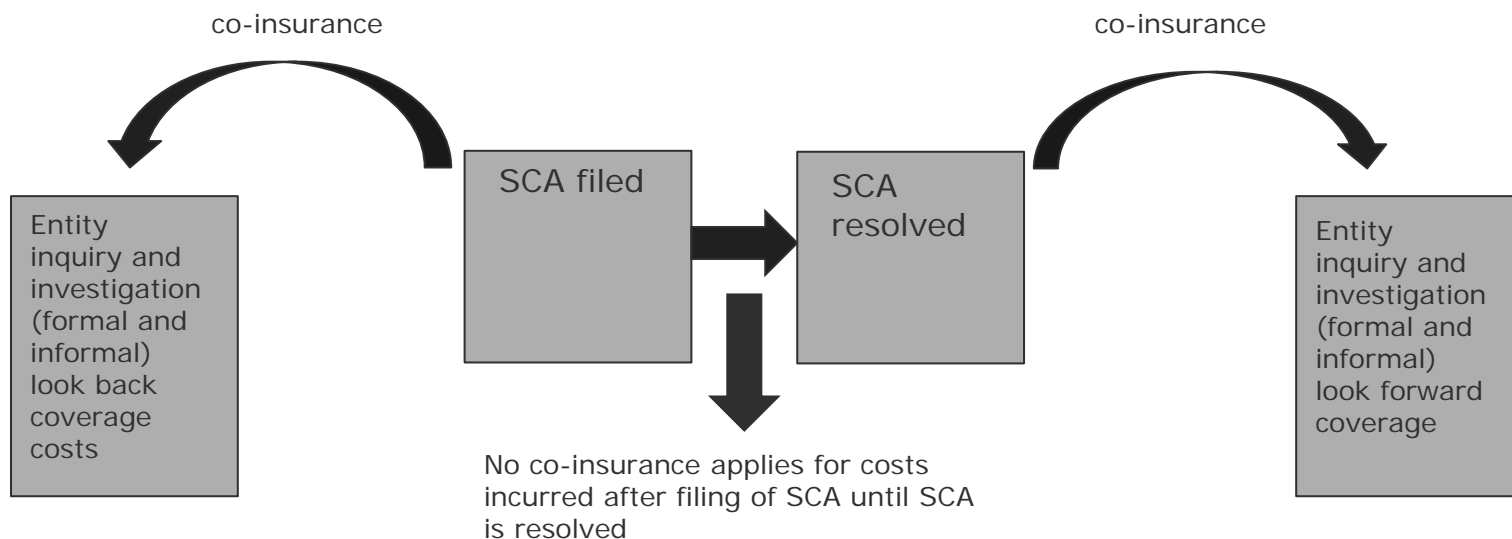
Current investigations coverage and our offering



All examples here are merely illustrative and coverage would be subject to full terms and conditions

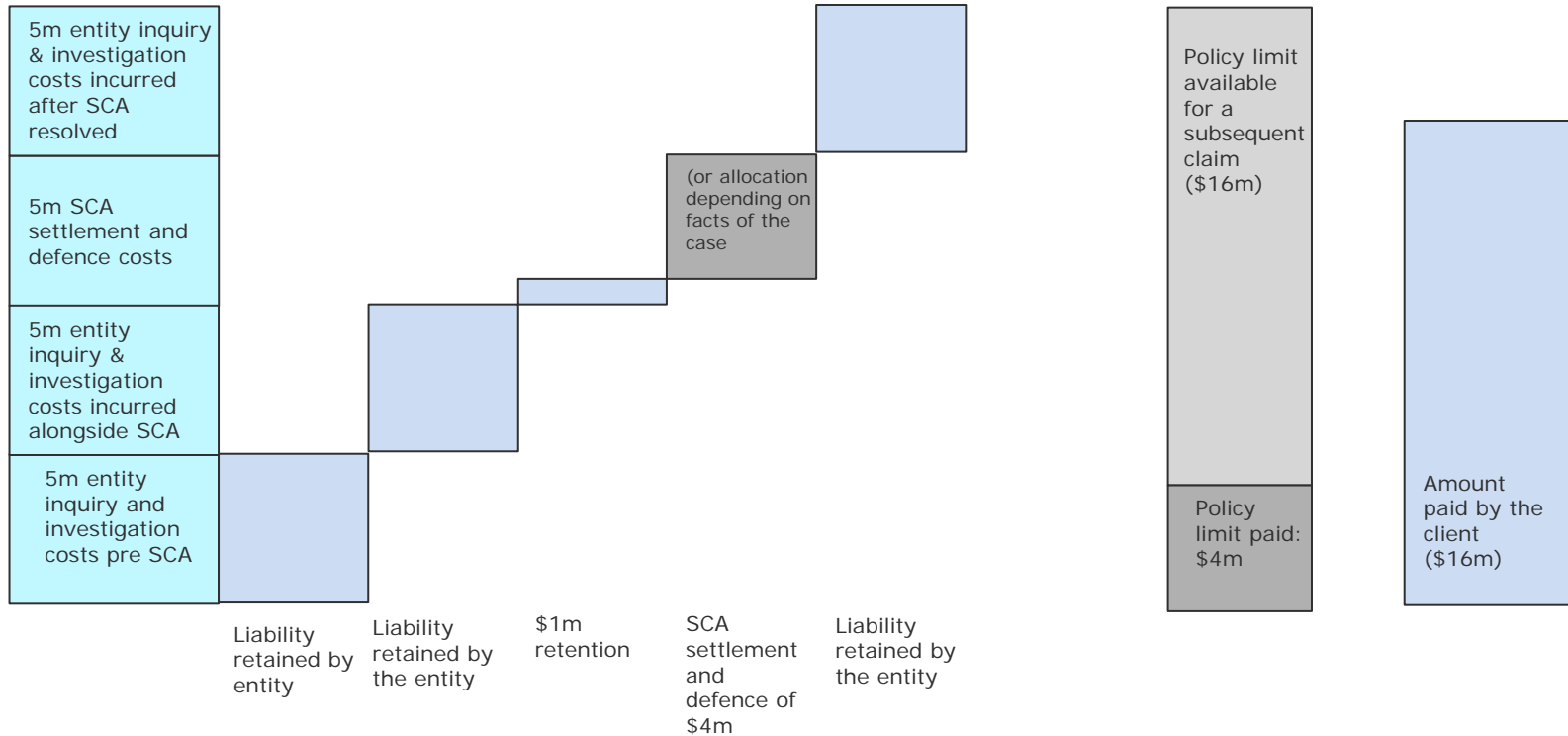
Entity investigation costs: how the coverage works

Look back and look forward coverage

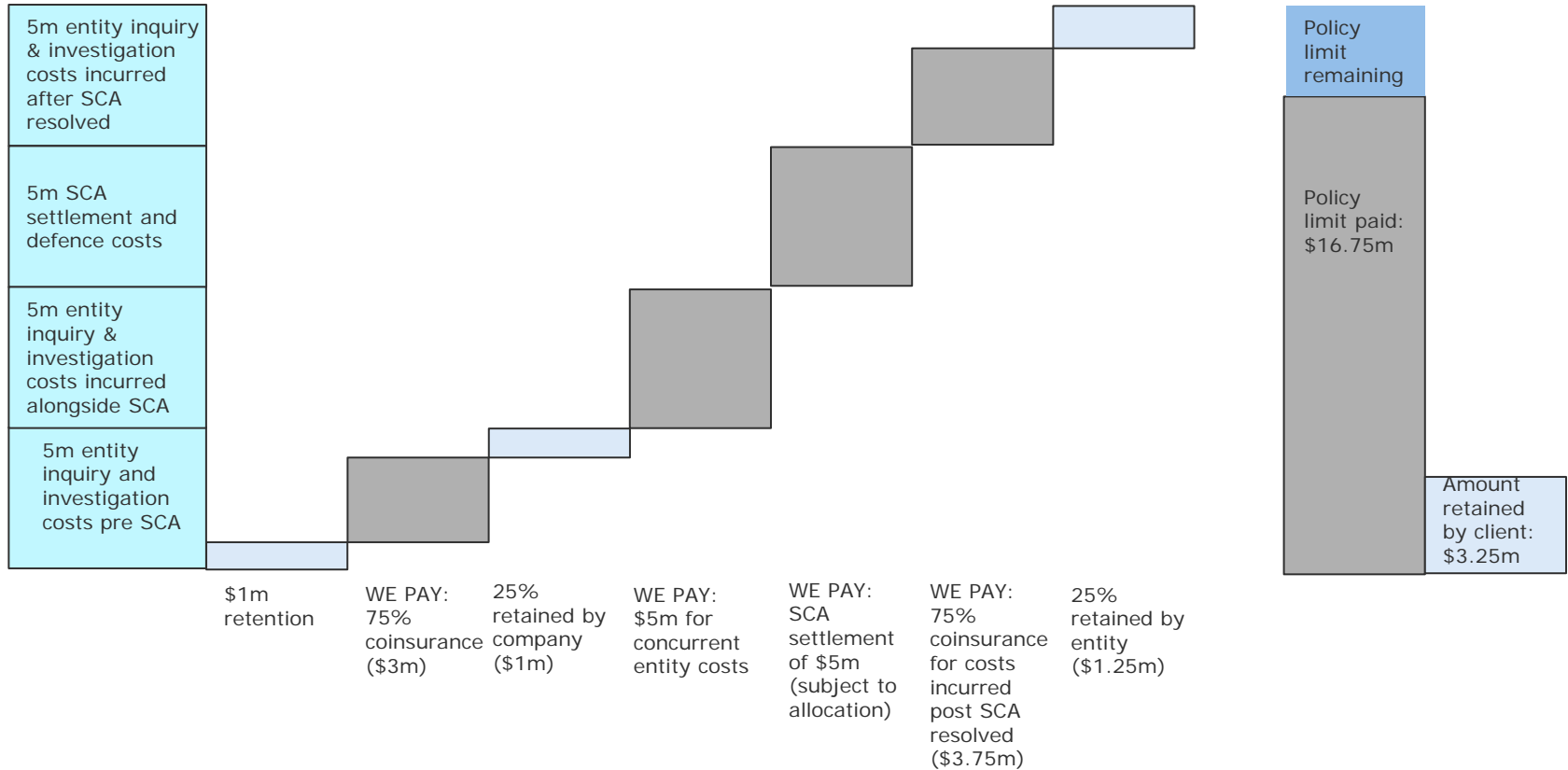


All examples here are merely illustrative and coverage would be subject to full terms and conditions

Co-insurance and payment example (current)



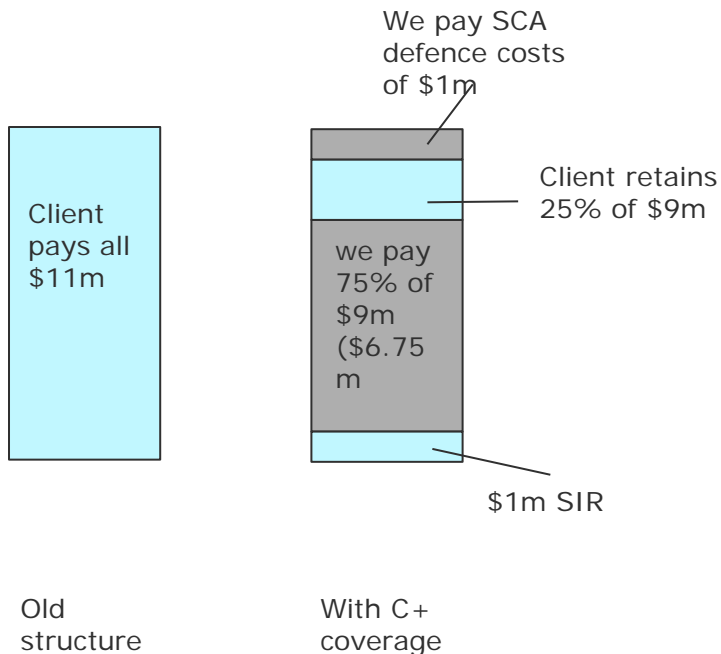
Co-insurance and payment example (with “C+” coverage)



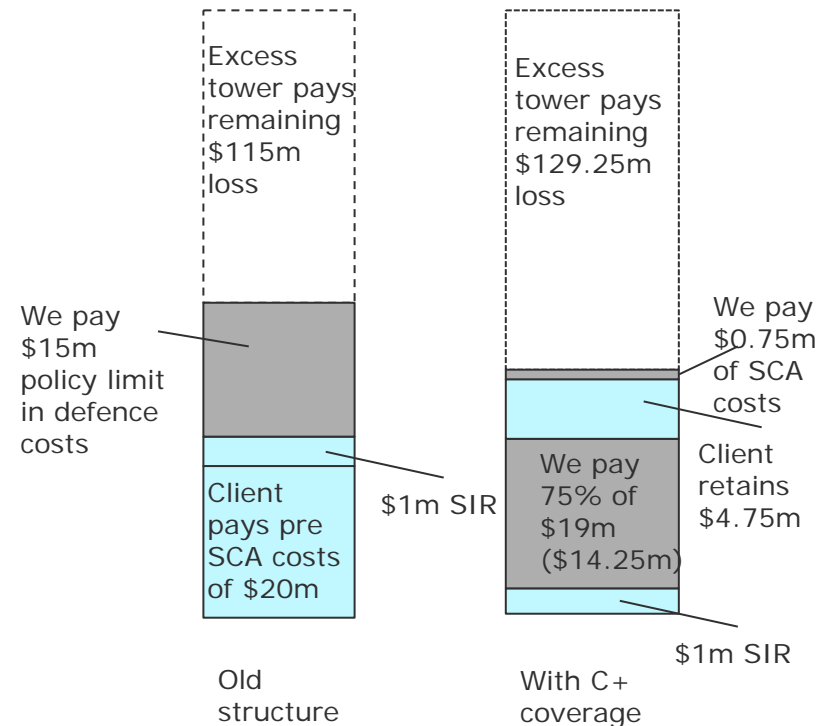
All examples here are merely illustrative and coverage would be subject to full terms and conditions

Further co-insurance examples - \$15m policy with \$1m SIR

Scenario 1: Dismissal: Significant entity inquiry and informal & formal investigation costs incurred prior to SCA filing (\$10m). SCA dismissed prior to motion to dismiss with defence costs of \$1m



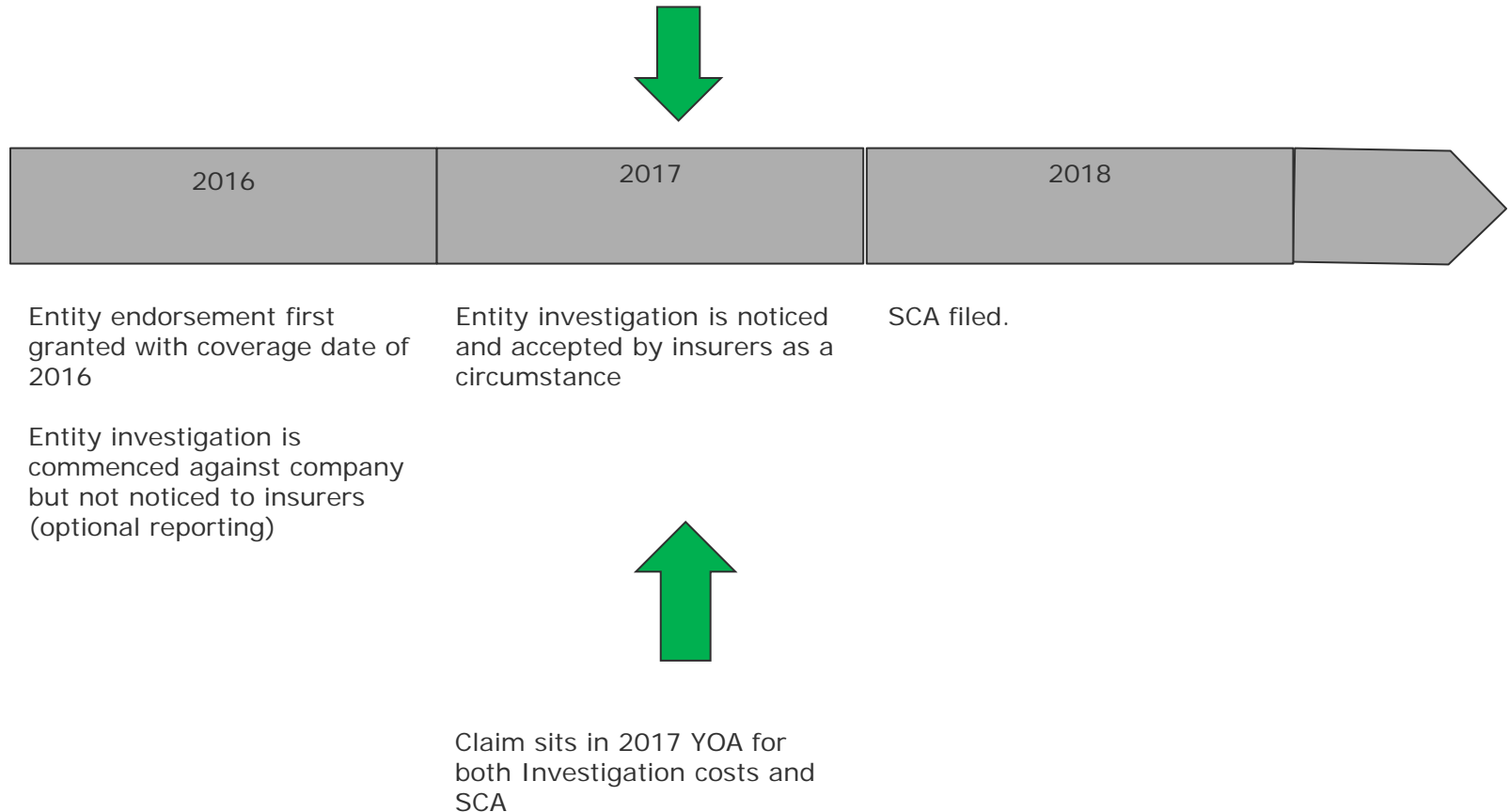
Scenario 2: Large SCA settlement: Significant entity inquiry and informal & formal investigation costs incurred prior to SCA filing (\$20m). SCA defence costs of \$30m, and settlement of \$100m



All examples here are merely illustrative and coverage would be subject to full terms and conditions

Notification: how this works.

Policy period where investigation is notified to insurers



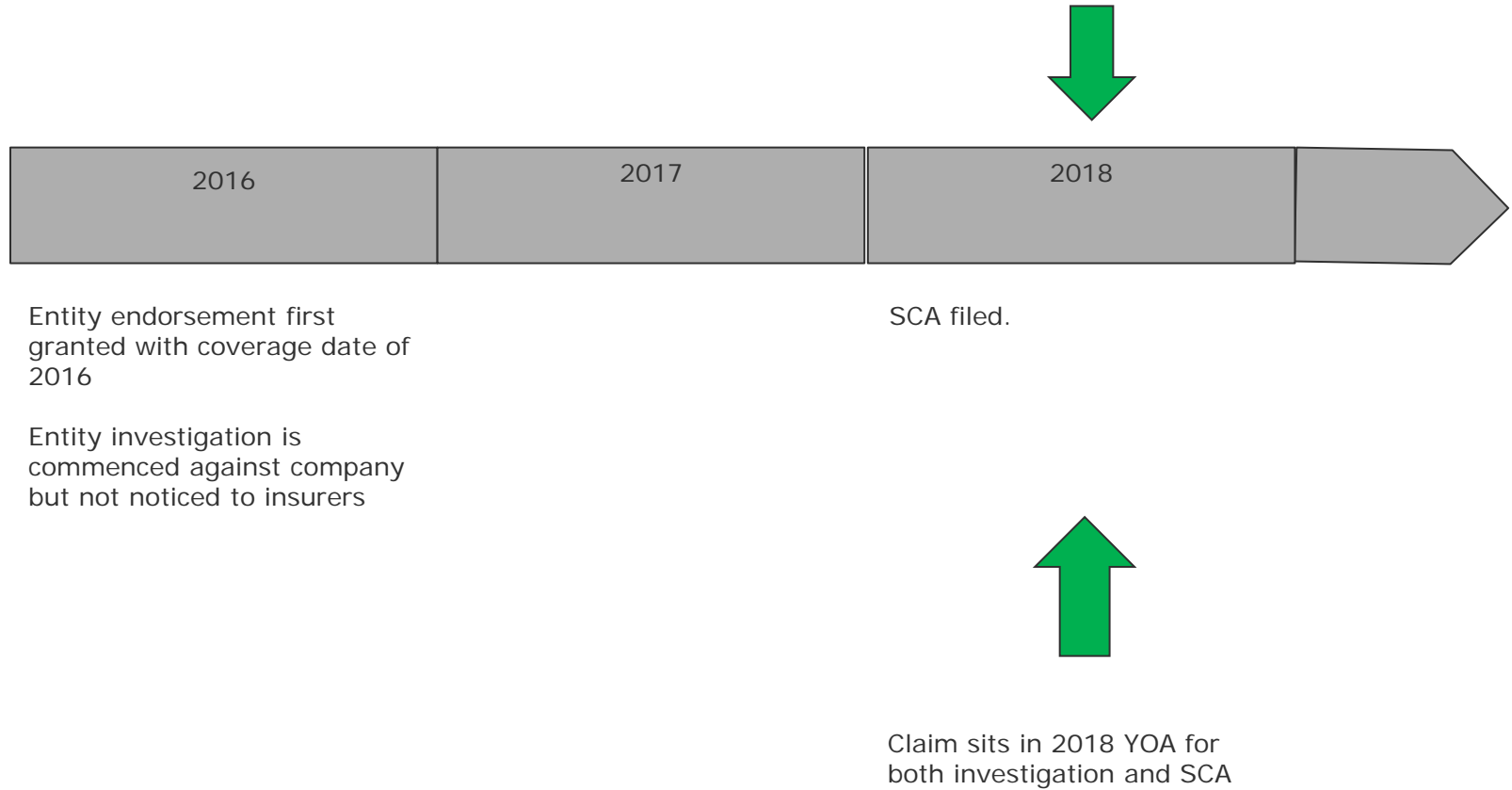
NOTE: if investigation had been noticed to insurers at the point it was received in 2016, all coverage would sit in the 2016 policy



All examples here are merely illustrative and coverage would be subject to full terms and conditions

Notification: how this works (cont/d)

Policy period where investigation is not notified to insurers



All examples here are merely illustrative and coverage would be subject to full terms and conditions

The detail...

- **Costs, Charges and Expenses from an Investigation of the Company**
- **Inquiry Costs from an Inquiry of the Company**
- **Costs, Charges and Expenses as a nominal defendant in a Derivative Suit**
- **Plaintiff Fees in a Derivative Suit**
- **Books and records cover, with a sub-limit**
- **Explicit coverage for class certification fees**
- **Inquiry cover for insured persons including (i) requests by court appointed trustees and liquidators and (ii) third party litigation against the company (in relation to non-indemnifiable loss) and (iii) internal investigations (also in relation to non-indemnifiable loss)**
- **Inquiry cover includes sworn testimonies**



Entity Coverage Endorsement