

FORCEFIELD® INVESTMENT MANAGEMENT

Management and Professional Liability

Allied World understands the risks and challenges faced by investment advisers, mutual funds, hedge funds and other alternative investment funds. Laws around disclosure and compliance – and heightened scrutiny by regulators and investors – continue to place pressures on the asset management industry. Allied World's **ForceField® Investment Management** policy offers protection for the complex management and professional liability exposures facing asset managers and funds.



POLICY COMPONENTS

Due to the unique composition of asset management firms, our policy is designed so that the coverage parts desired can be purchased in combinations selected by the insured.

- Investment Advisor Professional Liability
- Investment Advisor Directors and Officers and Entity Liability
- Fund Liability Coverage (for both registered and unregistered funds)
 - Includes General Partnership Liability
- Outside Entity Insured Persons Coverage (for Portfolio Companies and non-profits)
- Employment Practices Liability (by endorsement)
- Fiduciary Liability (by endorsement)

COVERAGE HIGHLIGHTS

- Policy is fully non-rescindable
- Insured has settlement authority up to 100% of the retention
- No hammer clause
- No fees exclusion
- Coverage provided for Defense Costs in a Claim where the amounts sought as damages are excluded from the definition of Loss
- Limited subrogation against Insureds (only when conduct exclusions apply)
- Conduct exclusion applies only upon a final, non-appealable adjudication in any underlying action
- Built-In For-Profit Outside Directorship

Liability Coverage for Claims against Insured Persons serving on Portfolio Company boards, excess of any Outside Entity indemnification and any valid and collectible insurance available to such Insured Persons

- Zero Retention for built-in sublimits for E-Discovery Services and Reputation Costs
- Broad definition of Investment Advisory Services:
 - Selection/oversight of advisors and outside service providers
 - Private equity exposures relating to Portfolio Company management
- Broad definition of Fund:
 - Applicable to Private Funds and Registered "40 Act" Funds
 - Includes General Partner of a Private Fund
 - Liquidating vehicles and funds in their capacity as controlling shareholders or selling security holders

APPETITE

Classes of business include but are not limited to:

- Hedge Funds / Managers
- Investment Advisers
- Mutual Funds
- Private Equity Funds / Managers
- Private Real Estate Funds or Firms / Managers
- Venture Capital Funds / Managers

LIMITS

Primary and Excess up to \$10M

ABOUT ALLIED WORLD

Allied World Assurance Company Holdings, GmbH, through its subsidiaries, is a global provider of insurance and reinsurance solutions. We operate under the brand Allied World and have supported clients, cedents and trading partners with thoughtful service and meaningful coverages since 2001. We are a subsidiary of Fairfax Financial Holdings Limited, and we benefit from a worldwide network of affiliated entities that allow us to think and respond in non-traditional ways. Our capital base is strong, our solutions anticipate rather than react to changing trends, and our teams are focused on establishing long-term relationships that are mutually beneficial.

CONTINUED >

CONTACTS

Allied World Insurance Company

Marc Berner

Vice President, Financial Institutions

E. marc.berner@awac.com

T. 646.794.0780

"A" (Excellent) by A.M. Best Company

"A-" (Strong) by Standard & Poor's

"A3" (Good) by Moody's

FORCEFIELD® INVESTMENT MANAGEMENT

Management and Professional Liability *(continued)*

Our senior underwriting team possesses over 20 years of management liability experience working with Financial Institutions and has the breadth and depth of experience to craft the right solutions for your clients. What's more, our broad appetite allows us to entertain your simplest to most complicated risks.

CLAIMS SERVICE THAT CONSISTENTLY HITS THE MARK

Our dedicated claims specialists are known for their expertise, responsiveness, diligence and ability to resolve claims to our clients' satisfaction. We understand that our reputation is built around a promise to pay and take pride in the reputation of our claims department:

- 99.7% of Public D&O files resolved without requiring coverage litigation since inception
- 9 out of 10 customers are "likely to extremely likely" to recommend Allied World to a friend or colleague based on their claim experience
- 9 out of 10 customers are "satisfied to extremely satisfied" with Allied World's claim service.

MULTINATIONAL COVERAGE

Worldwide coverage (where permissible by law) and Multinational Coverage available via our ALLIED WORLDWIDESM platform. Please contact the listed underwriters or visit us online at www.awac.com/alliedworldwide.

