



Product Profile

Hedge Fund One Insurance

As a leading provider of D&O insurance and a long-established provider to the financial services markets, AIG has the expertise to offer risk management and insurance protection against these risks. Hedge Fund one combines a tailor-made D&O policy for hedge funds, with capacity up to \$25,000,000, and the services needed to better understand, assess and mitigate those risks.

Covers

- Two insuring clauses:
 - Damages and defence costs of the Fund's Directors and Officer from a wrongful act, error or omission in their managerial or fiduciary capacity
 - Reimbursement of the Fund to the extent the Fund has indemnified its Directors and Officers for above clause
- The cover is triggered by any claim, proceedings or a written demand alleging any act, error or omission or any investigation, whether or not there is such an allegation
- Advancement of defence costs
- Legal fees and expenses up to the full policy limit for attendance at any investigation into the affairs of the company
- Full limit of defence costs for pollution claims
- Full severability of proposal form
- Full insured v insured cover for non-collusive claims

Extensions

- Bilateral discovery period
- Costs of an insured's representation at an official investigation
- Express extradition cover for directors and officers plus related costs for public relations, psychological counselling and tax advice
- Damages and defence costs of the Fund's directors and officers from a wrongful act, error or omission relating to corporate governance compliance and disclosure standards
- Key man insurance: public relations costs and head hunting costs to manage the implications of losing key personnel and to find replacements

- Public relations expenses to mitigate damage to professional reputations caused by a claim
- Prosecution costs coverage to overturn a judicial order
- 6 year discovery period for retired directors
- Fees and expenses following a kidnap incident
- Basil Bond and Civil Bond expenses

Insureds

Includes past or current directors or officers of the fund

Value Added Services

Additional regulatory crisis response cover up to £50,000 Pre-loss regulatory and governance advice, including the DLA Piper loss avoidance and mitigation package

Policy Form and Limit

Full retroactive cover on a claims-made basis. Policy limits up to \$25,000,000

Scope and terms are subject to the terms and conditions of the policy. A specimen policy is available on request.

Product Profile

Hedge Fund One Insurance

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Bristol
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Chelmsford
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Newcastle upon Tyne NE1 1JF
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Reading
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Reading RG1 2EF
Tel: 0118 964 2600

Broker Facts

Comprehensive insuring clause

Automatic cover for all directors and officers of the fund and subordinate funds. Cover for managerial liabilities of the Fund's directors and officers.

Full investigations cover even when no wrongful act is alleged

A frequent source of claims and an area of cover that is often sub-limited, but Hedge Fund One provides cover up to the full policy limit.

6 year run-off cover for retired directors

Gives peace of mind to those who retire that they have cover for the primary limitation period in respect of liabilities incurred while they acted in an insured capacity.

Valuable extensions

Broad cover for claims between insureds.

Extradition costs cover extension

Full policy limit is available to resist an extradition request from any jurisdiction, including the US. In addition the policy will cover related costs of up to £250,000 for public relations expenses; up to £25,000 for psychological counselling and up to £25,000 for professional tax advice.

Key man insurance

Public relations costs and head hunting costs to manage the implications of losing key personnel and to find replacements.

Public relations expenses

In a professional environment, reputation is often your most valuable asset. A reputation can be severely damaged by allegations of mismanagement; Hedge Fund One provides the means to mitigate that damage.

Regulatory crisis response cover

A specific fund of £50,000 is available to sue at the insured's discretion in face of regulatory crisis (such as a dawn raid). This is over and above specific investigative cover.

Advancement of defence costs (as case proceeds not just when it ends)

Important for the individual insured to ensure their personal assets are not at stake.

Mitigation and avoidance services

DLA Piper offer Hedge Fund One clients the option to register for bespoke presentations in governance best practice, regulatory crisis management and periodic regulatory bulletins.



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