



ForeFront Portfolio 3.0SM Directors & Officers and Entity Liability Insurance

We know you're moving fast...and it's tough out there.
We have your back.



Even privately owned companies and their executives can be sued over their decisions. The truth is your company and your top leadership may be sued over their management decisions by a variety of plaintiffs, including competitors, customers, suppliers, regulatory agencies, shareholders, creditors, lenders, and employees. In fact, according to the Towers Watson 2010 *D&O Liability Survey*, directors and officers of privately owned companies are sued nearly as often and face virtually all of the same exposures as their publicly held counterparts, even exposure to federal and state securities laws.

That's why Chubb created *ForeFront Portfolio 3.0SM Directors & Officers and Entity Liability Insurance* specifically for private companies like yours.

Why your company needs directors and officers (D&O) liability insurance:

- Not only shareholders sue. The most likely plaintiff against a private company or its executives is a customer, followed by a government agency or vendor.
- D&O liability insurance helps fill coverage gaps that may exist in your general liability and umbrella policies, which don't cover consequential financial loss arising from bodily injury, property damage, personal injury or advertising injury.
- With the pace of business today, you move fast. When you hire key employees away from competitors, you could be vulnerable to "bet the company" litigation. You may face exposure to allegations of breach of contract, theft of trade secrets, or unfair competition.
- Private placements are an increasingly popular means of raising capital. Even if your securities are exempt from Securities and Exchange Commission (SEC) registration, you may still be sued for misrepresentation and other securities violations.
- You may not always be able to help protect your executives when they are sued. What if state laws impose restrictions on your company's indemnification of its executives? What if your company becomes financially insolvent? Without D&O liability insurance, the personal wealth of your directors and officers could be at risk.

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A D&O lawsuit can be costly.
Of companies experiencing
a D&O lawsuit, the average loss
was \$225,682¹

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ForeFront Portfolio 3.0 Directors & Officers and Entity Liability Insurance highlights:

Chubb has the duty to defend, providing you with access to law firms and counsel experienced in general contract and commercial litigation.

100% defense costs coverage is available in most circumstances for covered claims.

Automatic private placement coverage.

Automatic coverage for acquisitions without a reporting threshold.

¹ Source: The Chubb 2010 Private Company Risk Survey.

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Responds to allegations including:

- Breach of contract.
- Wrongful interference with a contract.
- Unfair trade practices.
- Consumer protection violation.
- Mismanagement and breach of fiduciary duty.
- Securities fraud in connection with private placements.
- Misrepresentation in the sale of part or all of your company.
- Failure to deliver services.
- Regulatory actions brought by governmental agencies such as the FDA, FTC, SEC, or the IRS.
- Self-dealing and conflicts of interest.

And insures:

- Your executives, your employees and your company.
- Members of your advisory board, board of managers or management committee.
- Executives' and employees' spouses and domestic partners for such insured persons' wrongful acts.

With additional advantages:

- Our private company underwriters are positioned throughout the United States and are experienced in a broad spectrum of industries.
- Chubb also offers a globally integrated D&O liability insurance solution. We can provide local D&O policies in 50 countries, ensuring compliance with local insurance regulations and tax laws.

Key Features

Chubb's *ForeFront Portfolio 3.0 Directors & Officers and Entity Liability Insurance* offers some of the broadest coverage available in the marketplace, including the following:

Enhanced reporting provision when renewed with Chubb.

Guaranteed IPO quotation including coverage for road show presentations.

Coverage continues for prior acts for sold subsidiaries, whether sold before or during the policy period.

Coverage continues through reorganization until your parent organization emerges from bankruptcy.

Coverage for executives and employees for civil fines and civil penalties where insurable, including FCPA civil penalties.

Why ForeFront Portfolio 3.0?

A long-time leader in providing insurance to private companies, Chubb created *ForeFront Portfolio 3.0 Directors & Officers and Entity Liability Insurance* as one of a suite of nine insurance solutions under *ForeFront Portfolio 3.0*.

The coverage parts in *ForeFront Portfolio 3.0* work as standalone policies or seamlessly together in order to minimize gaps and reduce overlaps in insurance coverage.

For more information, contact your insurance agent or broker or visit us online at www.chubb.com.

Why Chubb?

Since 1975, we've devoted ourselves to helping to protect private companies like yours. We were a pioneer in providing privately owned companies with an integrated insurance solution to address their professional and management liability exposures.

We cultivate a deep understanding of private company needs through the biannual *Chubb Private Company Risk Survey*, the only survey of its kind in the industry.

Our reputation for fair claims handling and superior service offers you additional peace of mind.

Our financial stability and ability to pay claims rate among the best in the insurance industry.



Chubb Group of Insurance Companies | www.chubb.com

Chubb refers to the insurers of the Chubb Group of Insurance Companies. Not all insurers do business in all jurisdictions. This literature is descriptive only. Actual coverage is subject to the language of the policy as issued. Chubb, Box 1615, Warren, NJ 07061-1615.

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