

## **Do I Need It?**

If your company has directors or key managers, directors and officer's liability insurance can cover the cost of compensation claims made against them by shareholders, investors, employees, regulators or third parties.

Directors and officers have specific duties, responsibilities and powers relating to their positions. These are usually set out in their job description or terms of reference. If a director or officer of your company is found to have acted outside of their terms of reference, civil, criminal or regulatory proceedings can be brought against them.

Directors and officers liability insurance covers the cost of defending these proceedings, as well as any compensation costs that arise from an unsuccessful defence.

## **If you DO NOT have Directors & Officers**

You will not be able to defend yourselves against:

- Disqualification from holding the position of director
  - Civil Proceedings which can lead to legal costs
  - Criminal prosecution.