

# FUND PROTECT

INNOVATION IN  
THE PROTECTION  
OF FUND DIRECTORS'  
PERSONAL LIABILITY

Willis

# FUND PROTECT

## INNOVATION IN THE PROTECTION OF FUND DIRECTORS' PERSONAL LIABILITY

### FUND PROTECT KEY BENEFITS

|                |   |
|----------------|---|
| Premium        | <ul style="list-style-type: none"><li>– Market appraisal conducted and lower rates negotiated using our experience and market leverage</li><li>– Premiums continually monitored against the market and improved to remain competitive</li></ul>   |
| Coverage       | <ul style="list-style-type: none"><li>– Enhanced policy wording utilising the resources of our unique Contracts Advisory Team to ensure the policy is 'best of breed'</li><li>– Comfort that the policy wording is broadly drafted and benchmarked against other available fund Directors' and Officers' Liability (D&amp;O) products</li><li>– 'Difference in Conditions' clause ensures no gap in coverage with your current policy</li></ul> |
| Simplification | <ul style="list-style-type: none"><li>– Simplified application process based on strategy, assets under management and simple question set</li><li>– Quicker process – instant quotations available</li><li>– Reduced administration and frictional cost</li></ul>   |

---

*“Renewing D&O can be a minefield at best. By using Willis and Fund Protect, we have the advantage that your expertise in this field will greatly benefit our clients.”*

**Fund Administration Firm**

---

# FUND PROTECT SOLUTIONS

| WHAT ARE THE ISSUES?  | FUND PROTECT SOLUTIONS  |
|---|---|
| Consistently finding highly competitive premiums in the insurance market.                         | We have the depth of resource and experience combined with powerful insurance market leverage to conduct a market appraisal; this ensures you receive the benefit of Willis' exclusive negotiated rates and competitive premiums which we regularly benchmark against the market.   |
| Ensuring personal liability is protected by 'best of breed' coverage.                             | We offer the exclusive Willis enhanced policy wording, utilising the resources of our unique Contracts Advisory team to ensure the policy is 'best of breed' and is benchmarked against other fund D&O products. In addition, a 'Difference in Conditions' clause ensures no gap in coverage when transferring to Fund Protect. |
| A lengthy application process which causes delays obtaining a quotation and adds frictional cost. | Fund Protect has significantly reduced the administration to you in the application process. Further, removing the frictional cost allows additional premium savings to be passed on to you. This all helps to reduce the expense ratio of the fund.  |

---

*“In dealing with the team at FINEX we have found them to be professional, thorough and very helpful. They go the extra mile to review existing arrangements and will not recommend change unless it is warranted. Their D&O product is inventive, very competitive and cuts through the paperwork, saving time for our business and money for our clients.”*

**Managing Director of a Fund Administrator and Trust Company**

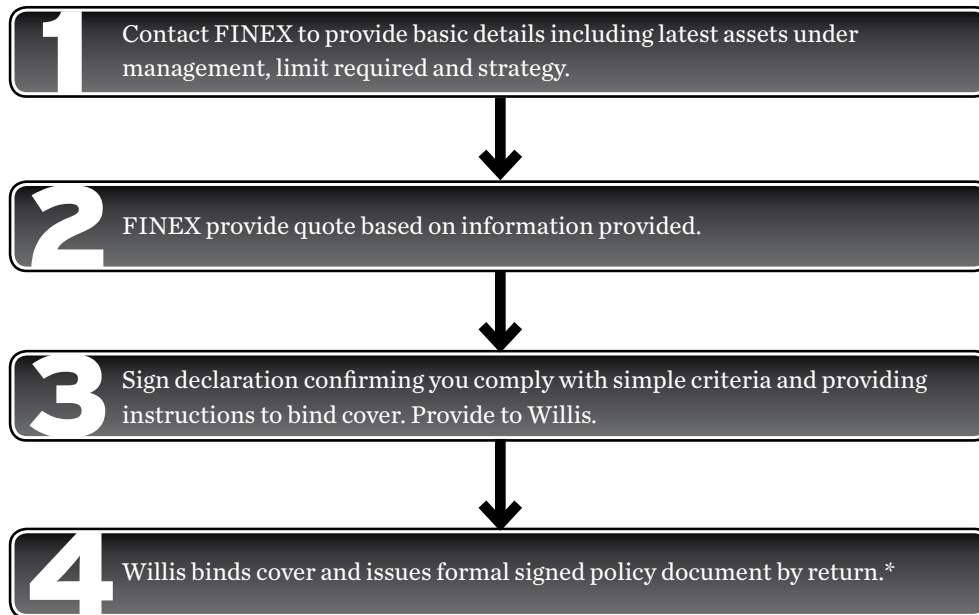
---



## FUND PROTECT SIMPLIFICATION

We understand that purchasing Directors' and Officers' Liability insurance can be both time consuming and costly. That's why we've teamed up with a recognised market leading insurer to provide broad policy cover at highly competitive premium levels.

Your time is valuable and the collection of information, supporting documents and completion of lengthy proposal forms isn't the best use of your time, so we've streamlined the process down to just four simple steps.



---

*“I have found Willis to be extremely competitive with their pricing, quick to respond and generally very efficient.”*

**Independent Director**

---

\* Subject to know your client checks.

## FUND PROTECT FREQUENTLY ASKED QUESTIONS

|   |  |
|---|--|
| How do I evaluate different D&O quotations, other than purely based upon price?   | The FINEX team has the depth of resource and experience combined with powerful insurance market leverage to conduct a market appraisal; this ensures we can offer you broad policy coverage combined with competitive premiums.  |
| Collation of information, supporting documentation and completion of a proposal involves significant work and can delay quote issuance. How does Fund Protect resolve this?   | Quicker process – instant quotations available. We’ve simplified the application process based on assets under management and investment strategy combined with a short, simple question set.  |
| Recent events have increased compliance and management concerns. Litigation has ensnared directors, highlighting the higher profile and the more active role required. How do I best protect my personal liability? | Fund Protect enables you to purchase broad, cost effective insurance protection at fund board level to provide cover for litigation defence costs and damages.   |
| Insurance cover for the fund directors purchased by the investment manager varies greatly depending upon local practice. How do I ensure consistently broad protection for the directors?                           | Fund Protect provides broadly drafted insurance protection developed by Willis’ FINEX team, providing comfort that the policy is ‘best of breed’ and contains very few exclusions.   |
| If a claim is made against me as a fund director, will I be able to gain access to the group policy purchased by the investment manager, especially if I need to bring a claim against them?                        | Fund Protect is designed to be purchased at fund board level with directors’ personal liability protection in mind. Therefore you get direct access to the policy in the event of legal action against you. Further there is no conflict with the cover purchased by the investment manager and no ‘insured versus insured’ exclusion. |
| Will the limit of insurance purchased on my behalf be adequate after claims against the investment manager are met from the group policy?   | This is an unknown risk. With Fund Protect you obtain a stand alone dedicated policy for the benefit of the fund directors. The policy also contains an additional per Non-Executive (Independent) Director limit.   |

|  |  |
|--|--|
| Being involved in a claim could be harmful to my reputation. How can I minimise the impact to me?  | Fund Protect includes higher limits of cover in addition to the policy limit to meet the fees and costs incurred instructing an appropriate public relations consultancy.  |
| As a fund board director appointed by a service company, a claim may allege I owe a professional duty of care. How do I know I will be covered?                                  | Fund Protect has broad definitions of what constitutes a 'claim' and 'wrongful act' as well as no exclusion relating to professional services by fund directors.   |
| The policy purchased by the investment manager has been rescinded by the insurance company due to an error in the application process. How do I ensure my cover is not affected? | Fund Protect is designed to be purchased at fund board level with directors personal liability protection in mind. The policy is non-avoidable, except where actual fraud in the application process is proven.  |
| Once I retire from the fund board, how can I be sure I will continue to be protected by an insurance policy for any potential litigation arising in the future?                  | Directors who cease to act or serve in that capacity prior to expiry of the policy receive the benefit of unlimited 'Lifetime' run-off protection automatically where the policy is not renewed.   |
| What if the fund is liquidated during the period of the policy, will I be protected for claims in the future?  | Fund Protect includes an automatic extension to the policy plus an option to purchase a run-off policy for up to 6 years at pre-determined premiums, including in the event of liquidation, giving you certainty run off cover will be offered at an agreed cost.      |
| Protection against regulatory investigations can vary, will I be protected if the regulator visits?  | Fund Protect has a broad definition of what constitutes an 'investigation' and the costs involved to protect the directors, plus a provision to incur emergency costs (with a higher than usual sub-limit) where insurers prior consent cannot reasonably be obtained. |

*“Willis Fund Protect product has allowed us to maintain excellent cover for our clients, at very competitive premiums.”*

**Director of a Fund Administrator**

## WHY FINEX?

FINEX is a division of Willis that acts as a knowledge base for Willis worldwide, with teams of experts in Executive and Professional Risks providing specialist advice and services to our clients and associates.

The value we offer our clients is built upon four pillars: Innovation, Boutique Service, Industry Experience and Expertise, and Transparency. At the heart of everything we do lays the client. We thoroughly understand your industry and your needs. We develop client solutions with high-quality markets and highly competitive terms and price, and we relentlessly deliver quality client service.

### » INNOVATION

We are in a position to positively differentiate ourselves with services that benefit our clients.

The **Willis Quality Index**<sup>®</sup> is just such a service; a perfect way of enabling Willis clients to be different, by selecting their carrier partners based on quality of service and not price alone. Launched in 2006, we have received global appreciation of its value and importance from clients, carriers and industry commentators.

Our **Contracts Advisory Team** (CAT) boasts a number of experts that culminate all their experiences to review, draft and amend financial lines insurance policies. This ensures that our clients benefit from the Willis intellectual property gained from being experts in this arena.

### » BOUTIQUE SERVICE

Willis is a global insurance broker, but our dedicated team ensures that our clients can count on a personal touch. We pride ourselves on our speed of response and continuous availability to our clients. We see ourselves as a business partner to your organisation and are always there to provide appropriate and expert advice when you need it, without delay.

You will have direct access to your Account Executive who knows you and your business well. We are able to differentiate your profile in the market to maximise premium negotiation based on your unique risk factors.

### » GLOBAL BROKER OUTCOMES

Our global presence means that clients have access to a Boutique Service wherever they are, as well as enjoying the benefits of access to the enormous pool of expertise of one of the largest insurance brokers in the world. We have exceptional market leverage, product development, intellectual capacity and claims settlement efficiency.

Our coverage and expertise allow us to build solid business partnerships, so that we really understand your needs and are able to ensure that the most appropriate programme is established for you.



## » INDUSTRY EXPERIENCE AND EXPERTISE

Our clients come to rely on the breadth and depth of expertise and industry experience our specialists can bring to their risk management solution planning. We operate specialist practice groups across a number of industry sectors including Investment Managers, Hedge Funds and Private Equity. Our dynamic team possesses considerable industry experience in your sector and are supported by a dedicated operations and claims team.

## » EXPERT CLAIMS TEAM

One in four members of our team are dedicated to claims handling, including a legally qualified claims advocate to lead complex and client critical claim negotiations. Our team provides technical expertise in all aspects of formulating and negotiating claims settlements, provide major loss support and liaise with lawyers on your behalf.

## » A STRONG INDUSTRY NETWORK

Our Executive Directors enjoy close working relationships with key industry contacts and organisations. They are also regularly invited to attend key industry conferences and events in addition to the series of seminars we run.

## » HOT TOPICS

Our team will share what they know. Our knowledge enables us to benchmark your policy in addition to keeping you informed about major sector issues through regular briefings and newsletters.

## » TRANSPARENCY

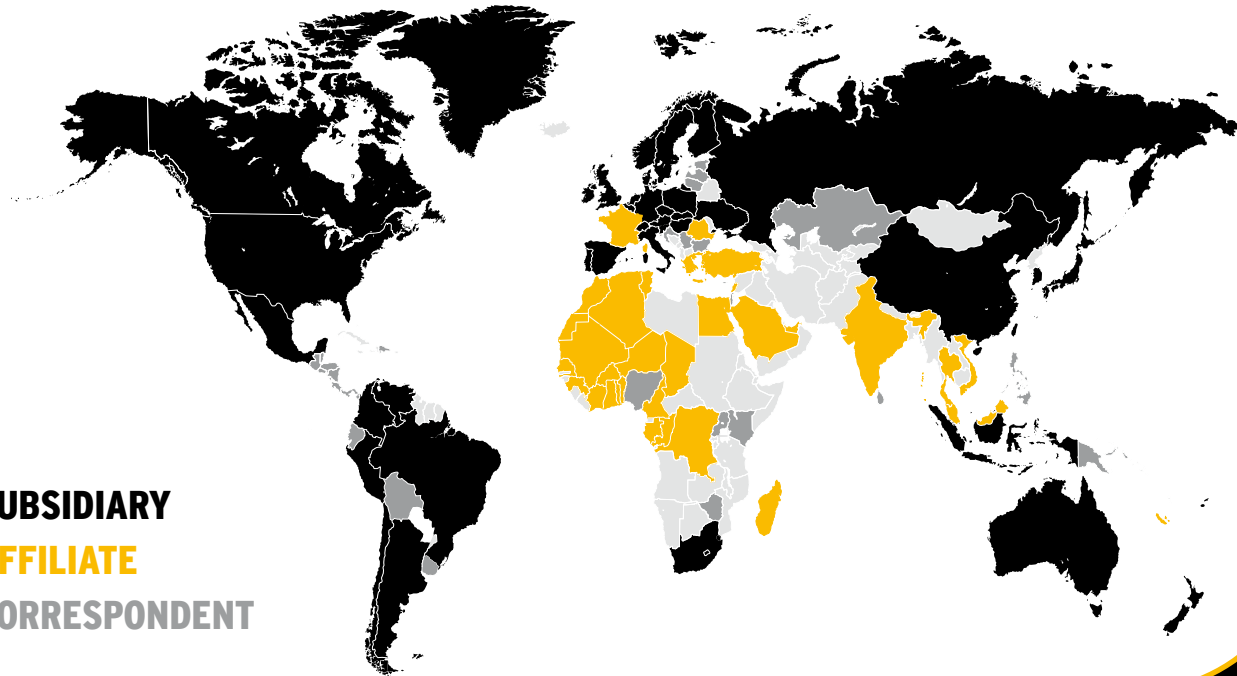
We work hard to build trust with our clients. We make a point of being explicit about everything we do, every step of the way.



# WILLIS

- » We are one of the largest insurance brokers in the world
- » We have over 180 years of history and experience in insurance; we currently operate in over 400 offices in nearly 120 countries, with a global team of approximately 17,000 Associates serving clients in some 190 countries
- » USD 32.2 billion of global premiums placed through worldwide markets

**SUBSIDIARY**  
**AFFILIATE**  
**CORRESPONDENT**



## CONTACTS

### **Emily Almond**

Tel: +44 (0)20 3124 8584

Email: emily.almond@willis.com

### **James Baird**

Tel: +44 (0)20 7558 9312

Email: james.baird@willis.com

### **John Dexter**

Tel: +44 (0)20 7558 9229

Email: john.dexter@willis.com

### **Nick Bachmann**

Tel: +44 (0)1481 735661

Email: nick.bachmann@willis.com

### **Paul Richards**

Tel: +44 (0)20 7558 9240

Email: paul.richards@willis.com

### **Richard Allen**

Tel: +44 (0)1473 223639

Email: richard.allen@willis.com

### **Adrian Pye**

Tel: +44 (0)1473 207060

Email: adrian.pye@willis.com

### **Charlotte Nicholson**

Tel: +44 (0)1473 223865

Email: charlotte.nicholson@willis.com



**Willis Limited**

The Willis Building  
51 Lime Street  
London, EC3M 7DQ  
United Kingdom  
Tel: +44 (0)20 3124 6000

**[www.willis.com](http://www.willis.com)**

Willis Limited, Registered number: 181116 England and Wales.  
Registered address: 51 Lime Street, London, EC3M 7DQ.  
A Lloyd's Broker. Authorised and regulated by the Financial Services Authority.

10242/01/12

