

New PrivateEdge

Coverage comparison

The policy structure of Private Edge (2008) differs from the previous edition. Cover is offered on a modular basis with a compulsory module for management and corporate liability cover. Other modules include entity employment practices liability, pension trustee liability and crime. It is designed to give broad cover, separate limits of liability per module, ease of purchase and flexibility to select varying limits and/or modules. The previous edition of PrivateEdge was on named peril basis without pension trustee liability or crime.

The following coverage points may differ for the Partnerships and Not-For-Profit products.

SECTION	CHANGES	COMMENTS
GENERAL - APPLIES TO ALL LIABILITY MODULES		
Territorial	Cover worldwide	Previously limited to UK companies.
2.4 - Legal expenses policy conflict	PrivateEdge is primary where cover under both this policy and an in insured's legal expenses policy.	New cover feature.
2.5 - Emergency costs	Cover up to £2m.	Previously sub-limited to 10%.
2.7 - Automatic discovery period	Extended to 90 days if policy not replaced.	Previously 30 days.
2.13 – Access to free legal advice	Free health and safety, employment and commercial law advice.	Available if Entity EPLI module is purchased.
2.14 – Confidential whistleblowing helpline	No change to cover.	
2.15 - New Subsidiaries	Any company other than listed or US based.	Previously limited to UK companies.
3.30 - "Loss" definition	Extended to include punitive and exemplary damages, pre and post judgment interest, the multiplied portion of multiple damages.	
5.1 - Reporting of claims and circumstances (except NFP PI module)	Extended reporting period increased to 90 days. No condition precedent language.	Previously 30 days with condition precedent language.
5.3 - Optional Duty to Defend	Insured has option to tender defence to the insurer at the outset of the claim.	Previously no duty to defend.
5.4 - Allocation	Allocation disputes to be determined by Senior Counsel.	New coverage feature.
5.5 - Advancement of defence costs	Payment within 21 days upon acceptance by the insurer.	New coverage feature.
7.4 – Other insurance and indemnification	Presumptive indemnification language removed for outside entity excess provision.	
7.6 - Disputes	Optional arbitration for any unresolved policy dispute after 30 days.	Previously only after 6 months and after mediation.

AIG UK Limited

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MANAGEMENT LIABILITY COVER FOR INDIVIDUALS		
1.1 (iii) - Reinstatement limit of liability	Broader coverage. Provided for all policyholder board directors. Sub-limited.	Cover limited to non-executive directors. Sub-limited.
Crisis response costs	Triggered after a raid or on-site visit, now in definition of Pre-Investigation.	Previously limited to one supplier and sub-limited to £50,000.
2.1 - Pre-Investigation	Also includes costs of notifying regulators by an insured of a material breach or event.	New cover includes pre-emptive costs that may mitigate loss.
2.1 - Investigation	Costs of an insured person to attend a hearing, examination or inquiry by an official body.	Previously limited to formal investigation only. Health & Safety and Employment investigation representation previously sub-limited.
2.2 (ii) - Corporate Manslaughter public relations costs	Sub-limited to £100,000.	Previously no cover.
2.3 - Bodily injury and property damage	Defence costs cover.	No change to cover.
2.6 - Civil Fines and Penalties	New cover applies unless uninsurable under applicable law.	Previously excluded.
2.8 – Run-off for retired insured persons	Lifetime discovery period if policy is not replaced. No time limitation on reporting.	Previously cover was limited to 6 years for individuals who retired during policy period covered.
2.9 - Extradition public relations, counselling and tax advisor costs	Sub-limit increased to £100,000.	Previously sub-limited to £50,000.
2.10 - Assets and Liberty Costs	Cover up to full limit of liability.	Previously sub-limited to £50,000.
2.11 – Public relations expenses	Broader coverage. Not limited to use on final judgment, can be used at investigation or claim stage, sub-limit of £100,000.	Previously only after exoneration of insured person using specified provider and sub-limit of £50,000.
2.12 - Court attendance costs	Daily rates for insured persons to attend court in connection with a claim.	New cover feature.
3.18 - Employment practice liability	Broader definition and includes third party claims for harassment and discrimination.	Previously named peril and no third party cover.
3.35 - Outside entity director	Broader coverage - all outside entities other than US domiciled, incorporated or listed entities automatically deemed outside entities.	Cover limited to any entity registered in the UK and which had negative net assets at inception of the policy.
Bail Bond expenses	Cover up to full limit of liability, now included in "manager" definition.	Previously sub-limited to £50,000.
Claims for Pollution	Under management liability cover with no exclusion for individuals.	Previously limited to defence costs and claims by shareholders.
De-facto and prospective	New cover included in the definition of	Previously no cover.

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directors	"manager".	
Heirs, estates and legal representatives/domestic partners.	Now included in "manager" definition.	Previously specified under named peril insuring agreement.
Kidnap response costs	Removed. Endorsement available.	Previously sub-limited.
Trustee claims	Exclusion removed.	
CORPORATE LIABILITY COVER		
1.2 (ii) - Pollution defence costs	Sub-limited to £100,000.	No change to cover.
1.2 (iii) - Breach of Contract	Sub-limited to £100,000.	No change to cover.
1.2 (iv) - Liability to third parties caused by employee dishonesty.	Sub-limited to £100,000.	No change to cover.
1.2 (v) - Claims concerning operation of non-trustee controlled pension schemes	Sub-limited to £250,000.	No change to cover.
1.2 (vi) - Identity fraud	Sub-limited to £100,000.	No change to cover.
1.2 (vii) - Crisis event cover.	Sub-limit increased to up to £100,000.	Previously sub-limited to £50,000.
2.2 (i) - Corporate Manslaughter claims	Specific cover up to full limit of liability.	Previously added by endorsement.
2.2 (ii) - Corporate Manslaughter public relations costs	Sub-limited to £100,000.	Previously added by endorsement.
2.3 - Claims for bodily injury and property damage	Defence costs sub-limited to £100,000.	No change to cover.
ENTITY EMPLOYMENT PRACTICES LIABILITY COVER		
Limit	Separate limit of liability.	Previously sub-limit of corporate liability.
1.3 (ii) - Retention waiver	Upon successful defence or where legal team advice followed.	No change to cover.
3.18 - Employment practice violations	Broader coverage. Includes third party claims for harassment and discrimination.	Claims by third parties not covered.
TUPE	Exclusion removed.	Previously excluded.
PENSION TRUSTEE LIABILITY COVER		
New cover module. See product profile for more details.		
CRIME COVER		
New cover module. See product profile for more details.		

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