

WE HAVE A HUNGER OF
THE MIND WHICH ASKS
FOR KNOWLEDGE

COVERAGE

INSURANCE PROTECTION FOR:

Past, present and future directors, officers, prescribed officers, and employees acting in a managerial or supervisory capacity

COVERING:

- Awards - Legal defence costs
- Investigation costs

FOLLOWING AN ALLEGATION OF A WRONGFUL ACT, INCLUDING (BUT NOT LIMITED TO):

- Error
- Misstatement

- Act/omission
- Negligence
- Breach of duty

BROUGHT ABOUT BY:

- Stakeholders such as (but not limited to) employees, trade unions, government, creditors, competitors, and suppliers
- Any other affected party

THE POLICY ALSO COVERS THE COMPANY:

- When it indemnifies a Director or Officer
- For securities litigation

THE NEED

King III and The Companies Act No. 71 of 2008 renders Directors' and Officers' Liability Insurance crucial for all companies regardless of size or incorporation. Directors and Officers now find themselves in a far more onerous position than ever before, with legislation holding them more accountable for any wrongful act or negligent actions, as well as breaches of their fiduciary duties.

Moving South Africa in line with international trends of Alternate Dispute Resolution (ADR), the King III Report recommends that ADR clauses be included in all business contracts. It suggests that mediation should be used as a management tool and as a dispute resolution instrument that allows for efficient, cost-effective and private settlements. The Camargue D&O product comes with the

use of dispute resolution services. A director would have already covered that aspect of his/her duty toward the company by purchasing the insurance policy.

The Companies Act No. 71 of 2008 also changes the business landscape substantially, as far as the incorporation, administration and management of companies is concerned. Ushering in a new era of uncharted territory for Directors and Officers in South Africa, no person should consider taking up a position as a Director before ensuring that there is a Directors' and Officers' Liability insurance policy in place. When a board of directors is assembled, it is best to have a Directors' and Officers' Liability policy in place to manage the risk exposure faced by these directors.

AUTHORISED FINANCIAL SERVICES PROVIDER, LICENCE NUMBER: 6344. APPROVED LLOYD'S COVERHOLDER PIN: 107824DRW

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UNDERWRITTEN BY THE LICENSED INSURERS:

Certain underwriters at Lloyd's

Bryte Insurance Company Limited

A Fairfax Company Co. Reg.
No. 1965/006764/06
FSP (17703)

Compass Insurance Company Limited

Co. Reg. No. 1994/003010/06
FSP (12148)



REDEFINING THE BOUNDARIES OF RISK MANAGEMENT, NOW AND INTO THE FUTURE

THE SOLUTION

D&O Liability Insurance provides financial protection for the Directors and Officers of a company in the event they are faced with a legal suit pertaining to the failure to perform duties as they relate to the company. Since a Director can be held personally responsible for acts of the company, most Directors and Officers will demand to be protected rather than put their personal assets at stake. Fortunately the enormous responsibilities facing business leadership need not go unprotected: Section 78 (3) of the new Companies Act allows for the indemnification of Directors and the purchase of D&O liability insurance. Think of Directors' and Officers' Insurance as a management Errors and Omissions policy.

Please refer to the **Risk Management Brochure** for more information.

VALUE-ADDED SERVICES

Camargue's unique M₃ approach to insurance is geared towards managing, mitigating and migrating critical business risks – an outcome achieved through the provision of value-added risk benefits to policyholders. Notwithstanding the coverage provided in terms of the policy, the additional risk management benefits further enhance the Camargue product offering and go way beyond simple insurance. The overall result is a wellrounded and complete solution to the risks faced by businesses.

RISK MANAGEMENT SERVICES INCLUDED IN THE POLICY COVER:

- **Private Arbitration Services:** Offered through TOKISO Dispute Settlement – this service works towards fast, equitable resolution of disputes between the insured and their clients. As far as possible court proceedings are avoided saving time, money and more importantly reputation
- **Crisis Communication:** Skilled support in managing public relations crises and avoid online media disasters
- **SecurityVue Cyber Scan (SCS):** SecurityVue is a non-intrusive external scan of your internet-facing application and software. It evaluates your exposed attack surface and identifies potential security issues that can lead to a successful cyber-attack. The scan identifies the most critical issues and removes any unnecessary noise.
- **Corporate governance surveys**
- **Membership:** Sponsored membership with the Institute of Directors South Africa (IoDSA) for 5 executive board members
- **Training:** Sponsored training courses: being a Director 1 & 2

