

Berkshire Hathaway European Insurance DAC (UK branch)

Product Information Exchange *September 2023*

PRODUCT NAME

Executive First – Private Company Portfolio

Key value elements, notable exclusions, and optional covers

What are the key value elements of the product that meet the needs, characteristics, and objectives of the target market?

This is a modular product that protects the policyholder against allegations of mismanagement. The different type of coverages offered are usually not covered under a general commercial liability policy.

The product offers the following key coverages:

- Director's and Officers' Liability – provides cover for non-indemnified loss, company reimbursement and corporate legal liability
- Employment Practice Liability – provides protection to a company against a claim by an employee for wrongful or unfair termination, discrimination, retaliation, defamation and redundancy claim
- Pension Trustees' Liability – provides cover for loss incurred as a result of breaching fiduciary duties
- Crime Insurance Liability – provides cover for financial loss as result of a dishonest act committed by an employee of the policyholder

Are there any notable exclusions or circumstances where the product will not provide cover?

Exclusions include:

Director's and Officers' Liability

- Illegal conduct
- Bodily injury/property damage exclusion
- Pending and prior litigation
- Employee benefits
- Wage and hour/misclassification
- Pollution
- Securities
- Professional services

Employment Practices Liability

- Illegal conduct
- Pending and prior litigation
- Bodily injury/property damage exclusion
- Employee benefits
- Alleged violation of Pensions Act (UK), Employee Retirement Income Security Act 1974 (USA) and others
- Wage and hour
- Securities
- Claims brought by any Director or Officer
- Employee Reinstatement/Reengagement

Pension Trustees' Liability

- Illegal conduct
- Pending and prior litigation
- Bodily injury/property damage
- Discrimination
- Intellectual property
- Failure to fund a plan
- Plans subject to regulation

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Crime Insurance Liability

- Consequential loss
- Credit risks
- Fines, penalties or damages
- Premises damage
- Impersonation fraud
- Violent crime by an individual or organization
- Voluntary Exchange or Purchase
- Fire
- Governmental action
- Nuclear chemical or biological
- War and similar actions
- Vandalism
- Debit and credit cards
- Client losses

Does the product include optional covers, extensions of cover or add-ons?

Coverage extensions include:

Director's and Officers' Liability

- Mitigation Costs and Expenses
- Civil Fines and Penalties, Personal liability for Corporate Taxes
- Emergency Defence Costs
- Assets and Liberty Costs and Expenses
- Deprivation of Assets Costs and Expenses
- Insolvency Hearing Costs
- Corporate Manslaughter Cover
- Reputation Expenses
- Health and Safety
- Company Defence Costs
- Critical Regulatory Event Costs
- Crisis Event Public Relations Expenses
- Identity Fraud
- Unlimited Discovery Period for Retired Insured Persons

Pension Trustees' Liability

- Included Extensions Sub-Limit of Liability
- Mitigation Costs and Expenses
- Loss of Pension Documents
- Emergency Defence Costs
- Contribution Notice
- Third Party Pursuit Costs and Expenses
- Assets and Liberty Cover
- Reputation Expenses
- Unlimited Discovery Period for Retired Insured Persons

Crime Insurance Liability

- Funds Transfer Fraud Cover
- Legal Fees Costs and Expenses
- Impersonation Fraud Cover

Some of these extensions can be excluded and if included they are subject to a sub-limit of liability. Please see the policy wording for full details on extensions and exclusions.

The product does not include any add-ons.

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This is a commercial insurance product which is designed for SME business to large private companies.

Who is the product not appropriate for?

This product is not suitable for consumers as defined by the FCA and for publicly trading companies. In addition, it is not suitable to companies that offer financial services.

Distribution

How can this product be sold?

This product should be sold via a professional insurance intermediary who can assess the customer's demands and needs and provide guidance as to the appropriate level of cover. This product can be sold face to face, via telephone or electronic communication or a mix of these methods.

Product Oversight and Governance

Our Product Oversight and Governance framework places customer centricity at the heart of our business. When we set our processes and standards, the main objective is to ensure the delivery of good customer outcomes. We managed our products throughout their lifecycle and ensure that products are designed and distributed in a way that it will support our customer's financial objectives and it will prevent foreseeable harm for our customers. Our framework maintains oversight of the following:

- The product design process
- Identification of a clearly defined target market
- Product scenario testing
- Distribution strategy
- Product documentation
- On-going monitoring and review
- Fair value of our products
- Service provided to our customers

All new products and material product changes are subject to our product governance framework, and they will go through the applicable assessment process before they are marketed or distributed to customers.

As part of our on-going review, we assess our products against several factors and metrics to monitor how we deliver good customer outcomes. When we fail to deliver, we will act immediately to remediate the situation.

How is value assessed?

In line with FCA guidance, Berkshire Hathaway European Insurance DAC (UK branch) assesses product value by comparing the overall cost of the product with the quality of the services provided. When assessing the quality of the services provided, we consider the FCA's value measures metrics as well as information relating to the distribution cost of the product, and to consider what percentage they are of the overall price paid. We have defined internal benchmarks for assessing the balance of these factors and where a product falls short of our standards, we will take action to ensure fair value is always provided to customers.

The value of the product will be assessed on an annual basis (or more frequently if necessary) to ensure it continues to provide value to customers.

This product has been assessed as providing fair value.

Additional Product Literature

This document should be read in conjunction with the relevant policy documentation for full details of the insurance cover and exclusions.

This document has been designed for insurance professionals and are NOT intended for customer distribution.