



X<sup>L</sup> Insurance  
Reinsurance

# Product Governance Review

## Fair Value Assessment – Angel Risk Management – Directors and Officers (D&O)

CONFIDENTIALITY LEVEL

# Angel Risk Management – Directors and Officers (D&O)

## Fair Value Assessment – Product Overview

### Product Overview

Directors and Officers Liability Insurance covers Company Directors, Officers and Senior Managers against claims arising from their decisions and actions taken whilst managing their business.

#### Key Cover

This product is designed to cover:

- Losses that arise from a claim against a Director and/or Trustee in their capacity as such:
  - Any sums paid to or held liable to pay the Director and/or Trustee by way of an advancement or reimbursement in relation to the Director's and/or Trustee's liability or an employment practices wrongful act;
  - Shareholders derivative costs; and
  - Defence costs incurred by the Director and/or Trustee in connection with an identity theft claim.
- Extensions include additional excess protection for the customer's board, automatic acquisition cover, corporate manslaughter, difference in conditions, discovery period, emergency costs, outside boards, personal appointments, regulatory crisis costs, retirement runoff, spouse/estates, takeovers and mergers run-off, corporate legal liability and/or organisational and professional liability extension

**Additional Service Element:** Free guidance, legal advice and risk management support are also provided to customers as part of the policy.

See detailed Target Market Statement for detail on the range of customers the product is designed for as well as the groups of customers for whom the product is not appropriate and will not provide the intended value

# Angel Risk Management – Directors and Officers (D&O)

## Key findings

Fair Value assessment -Year:	2023
<p><b>Fair Value Assessment Outcome:</b> The outcome of the review shows the product delivers value. This product will therefore be monitored as per BAU and reviewed again in 12 months as per requirement to undertake regular product reviews. There is no action required from distributors at this time.</p>	
<p>A summary of why we concluded this product is delivering value is set out below:</p> <ul style="list-style-type: none"><li>• <b>Low cancellation frequency</b></li><li>• <b>Low claims repudiation rate</b></li><li>• <b>Low claims complaints as a % of total claims</b></li><li>• <b>Gross loss ratio (GLR)</b> is relatively on the low side however the product provides peace of mind as well as guidance, legal advice and risk management support in the event of an incident that may give rise to a claim. This will be monitored closely, and a follow up activity will be undertaken by AXA XL.</li></ul> <p>Our approach to this product review has utilised data and MI readily available to AXA XL. As a distributor, you may wish to consider metrics you hold in conjunction with this assessment.</p> <p>On conducting your own review, where issues are identified that are not identified within this review, please notify us so we can consider the impact on the product in our capacity as carrier.</p>	
<b>Other factors which may be relevant to distributors</b>	
n/a	

