

# Insurance for private equity firms



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The insurance landscape for private equity firms is extremely competitive, with current favourable market conditions and regulatory forces combining to create a positive risk transfer environment for insurance buyers.

The insurance market has witnessed an increase in the number of insurers keen to participate in this space, and this heightened competition, coupled with a relatively benign claims environment, has had a direct impact on the rates insurers charge and the scope of cover afforded by the insurance contract.

As always with insurance, you hope you never have to use the policy, however if such a situation arises you want to know it will respond appropriately. As such, Rossborough Professional Risks together with our parent company Arthur J Gallagher have developed an insurance product, which is at the forefront of what is available in the insurance market in terms of the scope of cover it affords.

## Highlights include:

- Clear and simple policy language
- Broad coverage, fewer exclusions
- Claim notification requirement triggered only by a specified person's awareness of a written demand
- Clear coverage in relation to board positions on investee companies
- Defence costs
- Regulatory investigation costs
- Full limit mitigation cover
- Coverage requirements as prescribed by Article 12 of AIFMD by way of clear and affirmative policy language
- Flexibility – select the insuring clauses relevant to you
- Additional limits available for non-executive directors
- Broad automatic cover in the event of an acquisition
- Broad non-disclosure language restricting insurer's ability to decline claims

## Why Rossborough?

We have a specialist team focussing on private equity firms based across the Channel Islands and in the London Market. Our client-centric approach begins with employing experienced practitioners and releasing them from corporate distractions to focus solely on our service delivery. Our senior people take a resolutely hands-on approach. Outstanding communication and client service should go without saying, and these are traditional values that we continue to hold dear.

Rossborough is a leading insurance broker which boasts local and global expertise



### Our claims team

We have a claims team of legally trained individuals who are specialists in the Financial Services sector.

They:

- Provide strategic advice on complex claims
- Assume responsibility for overall management of the claim
- Remain involved until conclusion
- Advocate on your behalf with insurers and their lawyers

In our experience most claims against private equity companies emanate from the management of, or divestment of investee companies. Claims from investors against the private equity firm are infrequent, not least because Limited Partnership Agreements make it difficult to make such claims in practice. Our expert claims team is well positioned to negotiate with your insurers and achieve a successful outcome when you are faced with a difficult or contentious claims situation.

### Your next step

To discuss your requirements or to explore cover options please contact:

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## Financial Risks

[www.rossborough.co.uk](http://www.rossborough.co.uk)