Financial Institutions

CCL

Your peace of mind in client interactions

Crime and Civil Liability is a bespoke wording specifically designed for financial institutions that pertains to crime related incidents and civil liability. In today's dynamic and interconnected world, the risk of facing unforeseen challenges related to crime and civil liabilities has become increasingly prevalent. As an insurance provider dedicated to safeguarding your interests, we understand the significance of comprehensive coverage that addresses these potential threats.

From theft, fraud, and cybercrime to legal liabilities arising from professional activities or general legal obligations, our insurance solutions are crafted to mitigate financial losses and provide peace of mind in the face of unforeseen adversities. Our product also ensures that any regulatory requirements are addressed and covered sustainably.

We recognise the importance of staying ahead of evolving risks and adapting our coverage to meet the changing landscape of potential threats. This is the reason why we have developed the first plain language financial institution product in the South African market. This wording is designed not only to afford the correct coverage but also easy to read and understand.

LEPPARD

You built your business, now protect it

Financial Protection from Catastrophic Lawsuits

Lawsuits resulting in financial losses have the potential to disrupt or jeopardise the continuity of a business covered by insurance. Civil liability insurance serves as a crucial financial safeguard, offering protection against legal consequences arising from claims by third parties, particularly regarding professional advice rendered. Additionally, third-party actions may arise due to an employee's misappropriation of client funds. Under the policy, Leppard commits to aiding the insured by covering all expenses incurred, including defence costs like legal fees, litigation expenses, and any settlements awarded as specified within the policy terms. This comprehensive coverage aims to support the insured entity during legal challenges, ensuring financial security against unforeseen liabilities.

Increases Credibility

Crime and Civil Liability insurance elevates the goodwill and brand image of the insured entity. Professionals bear accountability and a responsibility to exercise care in delivering services to their clients and protecting their assets. Possessing this insurance policy offers a protective shield for the insured, safeguarding their reputation and ensuring responsible conduct in their professional endeavours.

Business Growth

Certain financial institutions might necessitate professional indemnity insurance and fidelity guarantee cover as mandatory. Our product ensures that the insured maintains sufficient comprehensive coverage, ensuring they are appropriately protected and compliant with regulatory standards.

Financial Protection for First Party Losses

The comprehensive coverage offered includes losses incurred by the insured resulting from computer crime and employee theft. Should an employee intentionally misappropriates funds belonging to the insured or manipulates documentation with fraudulent intent to cause financial harm, the resulting loss sustained by the insured will be covered under this policy.

Business Continuity

Negligent performance, breach of duty, or misappropriation of both personal and third-party funds can lead to significant financial losses and disruptions in the insured entity's business operations. Crime and Civil Liability Insurance enable the insured to maintain their daily operations while we manage the complexities of the claim process.

LEPPARD

Your Protection
Basic Structure

1 The indemnity limit ("LOI") encompasses coverage for damages, investigation, and legal costs incurred in defending against third-party claims in respect of professional services. It also extends coverage for direct financial losses resulting from an employee's misappropriation of both the insured's funds and third-party funds. Additionally, it provides protection for unauthorised, malicious, or fraudulent access by a third party to any computer systems.

2 Leppard can provide the following limits depending on the industry:

- **Asset and fund managers:**
  - Funds under management do not exceed R25bn primary coverage up to a maximum of R150m
  - Funds under management exceed R25bn excess of loss coverage attaching at no less than R100m up to a maximum of R150m

- **Retail and Commercial Banks:**
  - Excess of loss coverage attaching at no less than R500m up to a maximum of R250m ventilated capacity

- **Real Estate Investment Trust (REIT):**
  - Total Assets do not exceed R60bn primary coverage up to a maximum of R150m
  - Total Assets exceed R60bn excess of loss coverage attaching at no less than R50m up to a maximum of R150m

- **Insurance Companies and Underwriting Managers:**
  - Gross Written Premium does not exceed R5bn primary coverage up to a maximum of R150m
  - Gross Written Premium exceeds R5bn excess of loss coverage attaching at no less than R150m up to a maximum of R150m

3 LOI are provided on an Aggregate basis across all insuring clauses of the policy.

4 The deductible applies to Third Party Compensation and Costs & Expenses for each claim. This minimum is R250 000

5 Premiums are based on each unique risk profile, claims history and funds under management to name a few.

LEPPARD

Core Covers

- Direct financial loss as a result of an illegal act which includes
  - Fraud
  - Cyber event
  - Impersonation and
  - Alteration

- Civil liability to third parties in respect of a professional error in the provision of professional services. This includes
  - Negligent act error omission misrepresentation misstatement
  - Unintentional breach of confidentiality
  - Defamation

- Costs and expenses
  - investigating, defending, settling or mitigating the financial impact or direct financial loss

Extensions

- Data and Information loss - max. limit R500 000
- Extortion - max. 10% of the limit
- Extended claim reporting option
- USA and Canada

Some Exclusions

Directors and Officers Liability	Computer Virus	Contractual	Crypto Activities
Deliberate Act in respect of professional services	Failure to place insurance	Financial Performance	Fines and Penalties
Fraud committed against Leppard	FSP Licence	Insolvency	Investments
Platform	Previous Claims	Related Companies	Retroactive date
Sanctions	Systemic Occurrence	USA and Canada	War, Nuclear, Asbestos

Compliance

- Statutory requirements
- Material changes
- Admission
- Cancellation Rights
- Multiple Claims
- Rights of Recovery
- Risk Management Protocols

Target Audience

Who we insure:

- Asset and fund managers
- Banks
- Real Estate Investment Trust (REIT)
- Insurance companies and underwriting managers

Who and what we don't insure:

- Start up companies (trading less than 3 years)
- Hedge funds
- Private equity/venture capital
- Commodity traders
- Forex traders
- Micro lenders
- Stockbrokers
- Fund administrators
- Stock exchanges

Risk Management Tools

- Efforts to curtail the rising wave of litigation require innovative interventions. Although intricate, institutions should integrate improved risk management strategies. This involves a thorough examination of both the professional advice provided and the protection of both the insured's and third-party assets.

- Thorough scrutiny of the insured's employees is essential to minimise the risk of illicit acts by employees. Implementing sufficient segregation of duties and conducting checks across all employee levels are crucial steps. Enforcing comprehensive leave policies and verifying account details are among the few recommended controls.

- Safeguarding your IT environment remains paramount. Ensuring regular patching of data security, implementing and testing robust backup protocols, maintaining firewalls, and adhering to password policies are a few fundamental measures.

- Upholding professional advice involves adhering to defined standards and ensuring the quality of advice by maintaining timely communication and continuous education. It's crucial to take accurate and legible notes, storing all records securely and safely.

Select Leppard for Superior Service

Leppard offers a comprehensive product tailored to aid in meeting regulatory requirements and enhancing risk management. We specialise in crafting custom, straightforward Crime and Civil Liability policy wordings specifically designed for financial institutions.

With over 30 years of excellence and experience, we never compromise our quality and our focus is on delivering solutions.

Our expert is ready to serve you

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Ryan Navan
Head of Financial Institutions

ryan@leppard.co.za
+27 74 899 3893

Office hours
Monday-Friday 8:00 - 16:00
011 459 1640
www.leppard.co.za

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