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## **Uncover Risks for Directors & Officers**

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Text, Travelers. Directors and Officers Liability Coverage

(SPEECH)

SPEAKER: If you think there's a clear separation between your business and your personal assets, think again. Every day, with every decision, a company's directors and officers put everything they have at risk because, in a directors and officers liability claim, even personal assets may be fair game.

It doesn't matter if your company's stock is not traded on an exchange. If your business provides a service or product, you and your fellow directors and officers could be sued by vendors, customers, employees, competitors, and even government regulators. And these cases can be costly not just in settlements, but in legal fees and disruption to your business. Civil court trials are typically set for a year or 18 months after being filed, and they take longer to resolve. It happens.

Take the small electronics company that attracted four employees from a larger competitor. The smaller firm soon began selling products similar to their rivals, but at a lower price, prompting the bigger business to sue the directors and officers of the smaller firm for stealing trade secrets and customer lists. After two and a half years, the case was settled for more than a million dollars. And defense costs hit \$500,000.

Then there's this. After selling a coin-operated laundry business, the former directors and officers were sued by the new buyer who claimed that the business used false profitability information to clinch the deal. The buyer demanded that the agreement be scrapped and all losses be reimbursed. Together, the legal fees and the settlement reached \$725,000.

Sobering stuff, especially when a company can't always reimburse its directors and officers for these costs. No wonder organizations continue to place a high priority on extra protection. Having the right coverage in place isn't just the key to protecting your company, your directors and officers and their assets, it can be critical to attracting and retaining the quality of talent your business demands.

With risks like these and those yet to be discovered, you need an insurance company that can help protect and prepare you for what may come your way. That's why directors and officers liability coverage isn't a maybe, but a must have.

Talk to your independent agent to make sure you have the right coverage in place to help protect your business.

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Talk to your independent agent today.

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