

Hanover Financial Institutions Advantage

Management and professional liability coverage scenarios for depository institutions

Even with a skilled executive team in place, a depository institution could find itself facing a major financial liability lawsuit based on allegations of how the business was run. And, the damages could be devastating not only to the institution, but to its executives, directors and officers. The Hanover offers a broad management and professional liability solution that helps protect depository institutions against a wide range of financial threats, including scenarios like these.

Coverage

RISK EXPOSURE	KEY QUESTION	THE HANOVER SOLUTION
Shareholder derivative demands	How would an institution pay for a costly investigation into claims of fraud and breach of duty stemming from a written demand by shareholders on behalf of the institution?	Our security holder derivative demand investigation coverage pays the costs associated with investigating allegations of illegal or improper conduct of an executive. Coverage is provided under a sublimit that is not subject to a retention, eliminating out-of-pocket investigative costs.
Civil money penalties defense	What would happen if the FDIC alleges that an institution's director or officer is violating banking regulations?	Our civil money penalties endorsement would cover the defense expenses associated with a charge by a regulator wherein the regulator intends to assess civil money penalties.
Claims made against a retired executive	What would happen if a retired institution executive is sued after the directors and officers (D&O) policy term ends?	If an institution executive retires during the D&O policy term, our retiree coverage provides the executive with a six-year extended reporting period from the date of the executive's retirement.
Reputational risk	What would happen if negative publicity is posted against an institution and its chief executive officer on social media, claiming mismanagement of assets?	Our public relations event expenses coverage covers reasonable costs incurred for services performed by a public relations consultant to mitigate the adverse effect of negative publicity, including social media.
Third-party liability	What would happen if a customer alleges they were harassed by an institution's employee?	Our employment practices liability coverage protects an institution against claims alleging harassment or discrimination brought by a non-employee. Traditional employment practices liability would only protect against claims brought by an employee or prospective employee.
Workplace violence	How would an institution and its employees recover from the emotional and reputational damage—as well as unexpected expenses—caused by a workplace violence incident?	Threats and violent acts can happen at even the most well-managed institutions. In the unfortunate event that this happens at an institution, our workplace violence expense coverage covers measures including: <ul style="list-style-type: none"> • The hiring of an independent security consultant • The hiring of an independent public relations consultant • Conducting a counseling seminar for all employees • Engaging an independent forensic analyst
Lending services lawsuits	What would happen if an institution customer's supplier sues the institution, alleging that it wrongfully denied a loan to the customer, resulting in a loss of revenue to the supplier?	Our lending liability coverage provides protection for an institution for losses arising out of acts performed by the institution when providing lending services, such as denying a loan. Our coverage is not limited to claims by the borrower.
Fiduciary irresponsibility	What would happen if an institution's employee alleges that the bank chose an inappropriate administrator/investment manager for the 401k plan the institution offers its employees?	Our fiduciary liability coverage covers an institution's defense expenses and monetary loss resulting from claims alleging a breach of duty in the administration of benefit plans that are subject to the Employee Retirement Income Security Act (ERISA), such as a 401k.

Service

RISK EXPOSURE	KEY QUESTION	THE HANOVER SOLUTION
Navigating workplace law issues	How can The Hanover help an institution work through employment-related issues before they turn into claims?	<p>We partner with Jackson Lewis®, a national labor and employment law firm, to provide access to expert assistance and advice on a broad range of employment related issues, including:</p> <ul style="list-style-type: none"> • Forms of harassment • Insubordination • Wage and hour issues • Leaves of absence • Immigration processes • Employment-at-will concepts and more
Employment screening	How can The Hanover help an institution make informed hiring decisions?	<p>We partner with IntelliCorp, a leading employment screening solutions provider, to offer preferred pricing on comprehensive background check services. IntelliCorp's services help The Hanover's policyholders screen applicants, answer questions about a candidate's integrity and help select the right individuals for their team.</p>

Learn more

Contact your Hanover representative for more information.



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