

A photograph of a modern glass skyscraper. A person in a light-colored shirt is standing on a balcony, looking out. The building's facade is composed of large glass panels and dark metal frames. The sky is a clear, pale blue.

# *A broader insurance offering*

Cover for financial institutions

Our comprehensive cover includes  
Liability and Property and Casualty Insurance

Travelers offers a comprehensive range of flexible cover options within the financial institutions sector, providing the level of protection today's firms need.

**A leading provider**

Introduction: why Travelers is a leading provider of insurance for financial institutions

**Page 4**

**For greater business confidence**

Our liability products offer greater business confidence

**Page 6**

**Fuller protection against the unexpected**

Property and casualty cover – in case the unexpected happens

**Page 10**

**A superior claims experience**

A superior claims experience from our qualified in-house experts

**Page 14**

**A better range of cover**

A summary of Travelers' cover for financial institutions

**Page 16**

**Stronger support**

Introducing Travelers' UK and Ireland team

**Page 18**

# Wider appetite

Our appetite within financial institutions is broader than ever. To make it simpler to understand, we've created the following visual guide.



Speak to our underwriters to find out more

\* Excess D&O and Side A participation only.



# A leading provider

Financial institutions insurance from an industry-leading team

## Regulatory scrutiny... cost pressures... technology... data... millennials... Brexit.

The UK financial services industry is facing an ever-increasing range of disruptive issues, all of which present risks as well as opportunities.

As a leading provider of financial lines insurance, Travelers understands these challenges. Since creating our Financial Institutions team in 2008, we have closely monitored the industry and identified the kind of problems that lead to claims.

In addition, by supporting and contributing to industry events, we've been able to partner with numerous independent agents and brokers. The insights gained have enabled us to anticipate trends, identify regional disparities and provide guidance to clients, while continuing to evolve our service.

### Our comprehensive insurance offering for financial institutions includes the following liability products:

- Professional Indemnity/Civil Liability
- Directors' and Officers' Liability
- Crime/Bankers' Blanket Bond
- Employment Practices Liability
- Pension Trustee's Liability

### We can also offer a product that provides a range of property and casualty insurance covers:

- Office Contents and Buildings
- Business Interruption
- Terrorism
- Employers' Liability
- Public and Products Liability
- Criminal Protection Response
- Office Recovery\*
- Legal Expenses\*\*

All of the products listed above can be tailored to meet the diverse needs of financial lines businesses.



### Did you know?

A 2017 Insurer Survey ranked Travelers No.1 of the top 35 insurers in asset management. We also scored higher than the average of our peer group in categories including underwriting capability, pricing and risk appetite and engagement with clients and contacts.

\* Office recovery support is provided by First Recovery (UK only).

\*\* Legal expenses cover is provided by DAS.



# For greater business confidence

Our liability products

In today's finance sector, the pace is unrelenting and the sheer number and complexity of transactions create obvious risks. So, it's vital to have an insurer that understands your client's business and has the financial strength to provide confidence for the future.

We know that financial institutions are under increasing pressure to innovate in delivering client services, while also meeting increasingly stringent regulatory demands.

Here at Travelers, we help firms achieve this balance. We do it by providing guidance and market insight to our clients, along with the peace of mind that comes with being covered by a leading financial sector insurer.

Our comprehensive suite of financial lines insurance products enables us to support a broad range of clients from small high street firms to large multinationals.

#### We offer the following insurance covers:

##### Professional Indemnity/Civil Liability

Any organisation, no matter how diligent, can run into difficulty if the advice and services they provide are not acceptable to their clients, whether the complaint is justified or not.

##### Why it's needed

If a financial institution provides advice or services to a client that results in a claim, it could incur significant legal costs defending itself. What's more, if the client's claim succeeds, there could be further substantial liabilities for damages and claimant's costs.

##### How it protects the business

It covers the cost of investigating, negotiating and settling any claim, whether arising from a genuine error or an unfounded allegation.

Among the most frequent professional indemnity/civil liability claims faced by financial institutions are:

- Operational errors (or 'fat finger' claims) – which can result from something as simple as accidentally adding a zero to the number of stocks required
- Breach of mandate – when a financial institution acts outside the scope of the client's instructions in a way that causes the client a loss

### Directors' and Officers' Liability

This cover protects the personal liability of individual directors and officers. It also safeguards the company's balance sheet if securities cover is also purchased.

#### Why it's needed

The Companies Act 2006 places several complex statutory duties on company directors. Often directors don't realise that a breach could leave them personally liable for damages, criminal sanctions and expenses – and puts their own assets at risk.

Even companies without shareholders could face claims from customers, regulators, employees, suppliers or other stakeholders. Defending such claims can be financially debilitating and could detract from the day-to-day performance of the individual(s) involved.

#### How it protects the business

This cover can protect companies and individuals, depending on the level of cover purchased. Examples of the types of claim covered include:

- Breach of duty – where the duty of care towards the company doesn't meet the required standard
- Employment practice violations – any breach of employment law
- Misstatement/misleading statement – any deliberately or inadvertently misleading statement, usually regarding finances
- Prosecution by regulatory agencies – for example, for failing to maintain industry standard controls or procedures

### Crime / Bankers' Blanket Bond Insurance

A company's money and property are attractive targets for criminals – and even for employees. Travelers' crime insurance provides protection against fraud, dishonesty or malicious actions.

#### Why it's needed

Historically, there have been many cases of company employees stealing large sums of money by, for example, generating fake invoices or manipulating expenses, even where the business has extensive internal controls.

#### How it protects the business

Travelers' crime insurance protects financial institutions and their clients against losses caused by an employee's or a third party's forgery or theft of money, securities or property.

### Investment Management Insurance

Travelers also offers its own 'IMI' product for investment managers. This is a bespoke, blended policy that includes a combination of Professional Indemnity /Civil Liability, Directors' and Officers' Liability and Crime Insurance as set out above.

### Employment Practices Liability Insurance

If an employee believes their legal rights have been violated by their employer, they are entitled to make a claim for compensation. Employment practices liability insurance protects firms against any resulting legal costs and compensation payments.

#### Why it's needed

The number of employee lawsuits keeps rising and the range of potential allegations includes sexual harassment, discrimination or wrongful dismissal. The costs of defending this type of claim can be significant.

#### How it protects the business

Travelers' employment practices liability insurance is designed to protect companies against allegations that an employee's rights were violated. The insurance covers the cost of defence, settlements and judgments associated with claims.

There is no limit to the maximum sum that can be awarded to an employee claiming discrimination and harassment, so the balance sheet protection provided by an employment practices liability insurance policy provides real value.

### Pension Trustees' Liability

Pension fund trustees are vulnerable to claims for loss of benefits and financial loss arising out of alleged breaches of duty.

#### Why it's needed

Significant liabilities can fall upon individuals who perform the role of trustee, even though this work is often performed out of goodwill. Scheme rules are complicated, the law frequently changes and investment performance across the sector has led to severe underfunding of many schemes.

#### How it protects the business

It covers the costs of defence, damages, judgments, settlements and awards associated with claims alleging wrongful conduct.



#### Did you know?

As many of our insureds have international businesses, we can offer them insurance products, both through our company and through our Lloyd's Syndicate. Few insurers can offer this dual platform, which gives us wide-reaching capacity to write business for clients that operate worldwide.



#### Did you know?

Respondents to a recent London broker's survey reported that 'Travelers always responds promptly and meets deadlines' and that 'experience of quote turnaround has been positive.'



*Fuller protection  
against the  
unexpected*

Our property and casualty cover

“Financial institutions trust our ability to understand their needs and help them anticipate and manage threats to their business. Our combined package includes property and casualty products, along with claims handling and risk control support.”

We recognise that every financial organisation is unique. So, our underwriters will take the time to understand the intricacies of each client's insurance exposures. We can then work with them to build insurance solutions that provide the right level of protection for their needs.

**We offer the following insurance covers:**

**Office Contents and Buildings Insurance**

**Why it's needed**

Suitable office premises and access to the right computer and office equipment are vital to the efficient running of a business and its ability to provide the service that customers expect.

Comprehensive insurance coverage will protect the business against damage to those assets from a wide range of eventualities, including burst pipes, flood, fire or theft.

**How it protects the business**

By providing comprehensive cover on office computers and equipment, we give the business the security of knowing that funds can be made available quickly at what would be a very difficult time. The business can then replace the damaged contents, enabling the company to recover quicker and continue supporting their clients.

**Business Interruption Insurance**

**Why it's needed**

Buildings and contents insurance are essential for the reinstatement of damaged property, but the impact to the business does not stop there. Revenues are often reduced following a significant loss and this can threaten a company's long-term financial viability.

**How it protects the business**

Business interruption insurance provides protection during the difficult times following a loss. By compensating for the earnings shortfall that results from the insured event, it can help the business recover more quickly.

This cover can also help secure temporary premises and provide other support such as additional payments for staff overtime, where cost effective.

Periodic payments can be made to support the company in what can be financially challenging times.

**Terrorism Insurance**

**Why it's needed**

A terrorist attack could devastate any financial business and recovery may take time. With new threats constantly emerging, the need to protect property and avoid business interruption is vital.

**How it protects the business**

Cover can be extended to include damage to property and subsequent business interruption following a terrorist attack in England, Scotland or Wales.

## Employers' Liability Insurance

### Why it's needed

It is a statutory requirement to have employers' liability insurance for most companies that employ people in the UK.

If an employee is injured during the course of their work, they may make a claim against their employer. That's why clients need an experienced employers' liability insurer supporting them so they can concentrate on their business.

### How it protects the business

This cover will satisfy statutory requirements for insurance, while also providing protection. If the client is legally liable for an employee who is injured at work, it will cover defence costs and compensation.

We can also provide an additional cover for pre-claim rehabilitation costs (UK only). This enables the necessary support and treatment to be deployed quickly so that the injured person can return to work earlier. It can also minimise the impact on the business and the cost of any resulting claims.

## Public and Products Liability

### Why it's needed

Our public and products liability insurance provides peace of mind by protecting clients against accidental injury to third parties or damage to their property arising from business operations for which the client is legally liable.

It could result from people visiting the client's premises, employees visiting customers or customers harmed by a defective product.

### How it protects the business

We will provide the client with help and support in the event of a claim being made against them. Our insurance cover provides for the costs of defending claims and paying compensation for any resulting losses.

It also provides support for defending against criminal proceedings under certain specified legislation, including the Corporate Homicide and Manslaughter Act.

## Criminal Protection Response

### Why it's needed

Cyber extortion is an increasing hazard for businesses and we're seeing more reports of threats to:

- Damage or destroy data
- Introduce malware or a virus to IT/telecoms systems
- Release non-public personal information

In the event that this happened to your clients, would they know who to turn to for support?

If an employee went missing in the UK while on company business, most firms would simply call the police. But if this were to happen to an employee while on company business abroad, would your clients know where to turn for support?

### How it protects the business

In cases like these, Travelers can provide support to your clients and help them through traumatic times.

Our policy includes fees (subject to a limit) for our exclusively retained security partners who are available to respond 24 hours a day, 365 days a year. They can give immediate advice and support by telephone and, if necessary, deploy a consultant to the insured's head office or the incident location.

Where wider territorial cover or higher limits are required we can offer specialist cover through a separate policy.

## Office Recovery\*

### Why it's needed

In the event of significant property damage, speed of action is important to reduce the financial loss to the business and put measures in place such as communicating with your clients. It can take time to find suitable alternative premises and start the recovery process but there are ways to reduce those delays.

### How it protects the business

We have joined forces with First Recovery to reduce the time it takes to set up an emergency office. They retain serviced office space across mainland Great Britain and hold computer equipment ready for immediate set up.

They will aim to create an emergency office environment for up to 12 people within 48 hours of being instructed. Each employee will then have a computer installed and configured complete with internet connections and phone calls redirected.

## Legal Expenses\*\*

### Why it's needed:

From disputes with staff to issues around contracts, legal problems can arise at any time. For example, if an ex-member of staff took the company to an employment tribunal for wrongful dismissal, would your client know how to respond?

### How it protects your business

We have joined forces with a leading legal expenses insurer, DAS, to provide your clients with comprehensive cover for a range of legal disputes. These could relate to employment, contracts, tax compliance or any commercial tenancy agreements covered under their office policy.

## Bespoke Risk Management Services

Insuring with Travelers means benefiting from over 105 years of safety management experience, sector expertise and industry-leading laboratories for industrial hygiene, fire and forensics.

Our dedicated risk control team helps businesses identify and reduce a range of exposures that could lead to injury or property damage.

We tailor our guidance to each customer's concerns, including fire prevention and protection, business continuity planning, health and safety, security, occupational road risk and other exposures.

We strive to provide risk control services at the point of need, whether on-site, on demand or online, using innovative software to consult with customers in any location.

We also offer complimentary courses through our Risk Management Academy and cover the cost of course materials, certificates (where applicable) and other items. For our Managing Safely course, successful completion earns a certificate from the Institute of Occupational Safety and Health (IOSH).



### Did you know?

The international rating agency Standard & Poor's rated Travelers AA (stable), which few insurers of financial institutions in the London market have achieved.

\* Office recovery support provided by First Recovery (UK only).

\*\* Legal expenses cover is provided by DAS.

# A superior claims experience

Our qualified claims team

“Our claims service helps financial organisations protect the things that matter most: their business, brand and reputation. We’ll be there when we’re needed, offering a helpful, flexible and proactive approach to each claim.”

Here at Travelers, all claims are handled by our highly experienced and qualified in-house claims team. They ensure that our clients get the very best representation throughout the lifetime of the policy.

We understand that there’s usually much more to a claim than just cost. Our team has the legal and technical knowledge to see the bigger picture and help minimise the impact of any type of loss.

#### Industry-leading expertise

We also offer dedicated subrogation expertise. By pursuing damages from the party that caused a customer loss, we can maximise recoveries and achieve superior claim results.

Our in-house resources, such as our Claims University in Connecticut, U.S., provide additional support to our clients and ensure they stay ahead of the evolving exposures they face.

#### Claims examples

##### A bank faces the theft of funds

A customer at a Travelers-insured high street bank made quarterly payments ranging from £350,000 to £500,000. On each occasion, a director at the firm (a UK plc) would email the instructions in a pre-agreed format. The insured received a set of instructions requesting it to make eight payments of £100,000.

##### Even firms with controls in place can be the victims of fraud

This transaction was eventually discovered to be fraudulent, though not until around £450,000 had been transferred. This kind of situation is increasingly common. According to Financial Fraud Action UK, financial fraud losses totalled £768.8m in 2016, two percent more than in 2015.

##### Sophisticated fraud requires sophisticated protection

As fraud becomes more complex, financial institutions must have protections in place to prevent it, investigate it and minimise the damage it can cause. Once the insured notified Travelers of its loss under the terms of its crime policy, we paid the legal costs it incurred when investigating the extent of its responsibility for the fraud. We then provided reimbursement following a settlement with the customer.

##### A fund manager’s trading error leads to a loss

Travelers insured a London-based investment advisor that operated an in-house fund on behalf of professional investors. In response to market conditions at the time, the insured’s investment committee decided to reduce the fund’s equity exposure by selling a proportion of futures contracts on the S&P 500 index in two tranches. However, in the process of initiating these two sales, the insured inadvertently sold twice the number of contracts intended.

##### A reversal was attempted but came too late

The insured aimed to rectify the error by repurchasing the extra S&P contracts when the relevant futures market reopened on the following evening. However, in the time between the erroneous sale and the repurchase, the markets moved against the insured, resulting in a loss of approximately USD1m.

##### Financial Institutions liability insurance protects against claims of negligence or error

Following an investigation of the incident and a review of available evidence, Travelers reimbursed the insured for this loss.



#### Did you know?

When asked about Travelers’ claims management, respondents to a leading broker’s survey reported that Travelers has ‘demonstrated the ability to settle claims quickly through their understanding of products and the technical aspects of claims.’



# A better range of cover

Our products

“Whatever risks financial institutions face, Travelers has a comprehensive list of cover options to protect their reputation, people and property – any issue, in fact, that may affect a financial services firm.”

Please note that we additionally offer a Combined Package Insurance that includes property, business interruption and liability cover in one comprehensive, easily managed package. This can also be tailored to feature certain other insurance options.

#### Some additional covers to consider include:

- CyberRisk
- Management Liability
- Multinational Insurance
- Personal Accident
- Kidnap and Ransom
- Property Owners Insurance
- Fine Art and Specie

#### The benefits of working with Travelers

These days it's important to have an insurance partner that understands financial services and has the extensive knowledge, practical experience and international scope to provide the support firms need.

#### With Travelers you can call on:

- A market-leading team of underwriters
- A highly experienced and qualified in-house claims team
- A dual platform, enabling us to write business on behalf of both Travelers Insurance Company Limited and Travelers' Syndicate 5000

#### Financial strength

As part of the Travelers group, we can call on the size, strength and capacity of our multi-billion dollar parent company. The Travelers Companies, Inc. is one of U.S.'s largest insurers with assets of around USD103bn and nearly USD30bn in revenue (2017). The financial stability of the company is reflected in an AA rating from S&P.

#### To find out more

Go to: [travelers.co.uk/fi](https://travelers.co.uk/fi)



#### Did you know?

We can now write business for U.S. hedge funds and offer them the same market-leading claims management and additional support that they receive when insured by Travelers in the U.S.

# Stronger support

Our offices in the UK and Ireland



“Our expert team of underwriters is supported by a highly experienced and qualified in-house claims team. This means that clients can expect the very best service, claims representation and risk management guidance throughout the lifetime of the policy.”

Travelers’ team of experts in financial institutions insurance is experienced in all aspects of cover in this sector. They work closely with our claims team and most are qualified, experienced legal professionals.

We also rely on internal specialist teams that can provide technical assistance on subrogation and fraud, as well as offering access to the Travelers’ claims counsel.

The core of our team is based in London, and we also have a regional presence elsewhere in the UK. In addition, we have established an office in Ireland, so we can continue to serve clients and write business seamlessly during and after Brexit.

The breadth and depth of our internal resources, and our continued investment in our team, enable us to guarantee superior service to the financial sector.

## Our offices in the UK and Ireland



### Did you know?

We have agreements in place that enable us to give underwriting control to partners in the many jurisdictions where our clients operate. For example, one such arrangement enables a firm in the UAE to underwrite local risks using Travelers capacity.

# Key contacts

## Liability products

---

### Nadia Bagijn

Head of Financial Institutions

T: +44(0)20 3207 6501  
E: nbagijn@travelers.com

### Lucy Macdonald

Senior Development Underwriter

T: +44 (0)20 3207 6659  
E: llmacdon@travelers.com

### Sangeetha Mani

Senior Associate Underwriter

T: +44 (0)20 3207 6566  
E: smani5@travelers.com

## Property and Casualty Insurance

---

### Paul Slatter

(London)

T: +44(0)20 3207 6812  
E: pslatter@travelers.com

### Ciaran Simms

(Birmingham)

T: +44 (0)7436804156  
E: csimms@travelers.com

### John Sharrock

(Leeds)

T: +44 (0)113 386 3208  
E: jsharroc@travelers.com

### Ian Bradford

(Manchester)

T: +44 (0)161 234 3633  
E: ibradfor@travelers.com

### Mark Cole

(Glasgow)

T: +44 (0)141 242 2902  
E: mcole3@travelers.com

### Kim Taylor

(Redhill)

T: +44 (0)173 778 7186  
E: ktaylo10@travelers.com

### Francesca Kelly

(Dublin)

T: +353 1 609 5754  
E: fkelly2@travelers.com

## Claims

---

### Christine Stone

Claim Manager | Solicitor

T: +44 (0)20 3207 6636  
E: cstone@travelers.com

### Mark Bennett

Senior Technical  
Claim Specialist | Solicitor

T: +44 (0)20 3207 6642  
E: mrbennet@travelers.com

### Amy Ferreira

Claim Professional | Solicitor

T: +44 (0)20 3207 6451  
E: anferrei@travelers.com



The information provided in this document is for general information purposes only. It does not constitute legal or professional advice nor a recommendation to any individual or business of any product or service.

Insurance coverage is governed by the actual terms and conditions of insurance as set out in the policy documentation and not by any of the information in this document. TRV2774.01/19

Travelers operates through several underwriting entities through the UK and across Europe.  
Please consult your policy documentation or visit the websites below for full information.

[travelers.co.uk](http://travelers.co.uk)    [travelers.ie](http://travelers.ie)