

Product update
Insurance for the
financial services sector



Insurance cover for the
financial services sector



Liberty
Specialty Markets

New changes. Greater protection. Don't swim with the sharks without us.

At Liberty Specialty Markets, people are at the heart of everything we do. We empower our people to make decisions and act on them – bringing out the best in each other and for our clients.

Billions of investment dollars flow into Asia every year. In an investment landscape that's constantly shifting, it's important to protect the people powering the industry. This is where we can step in and assist.

From cyber attacks, social engineering fraud, contractual liability exposures and the evolving needs and demands of investors, you can't always predict what you will be up against but you can be better prepared for it.

If you are in the financial services sector, don't swim with the sharks without us. We offer tailored covers designed specifically to meet the needs of investment managers, including those operating in venture capital private equity and real estate investment trusts. We have the cover you need to tackle an evolving industry with confidence.

What's included in our refreshed policies for the financial services sector?

Our suite of four refreshed policy wordings are amongst the most competitive and comprehensive in the market. They reflect emerging risks and, in turn, better protect your business.

All four wordings include Professional Liability, Directors & Officers Liability and Crime cover. This includes:

- Self-report, internal and industry-wide inquiry costs
- Fines and penalties
- Costs and expenses for challenging the imposition of fines and penalties
- Cyber liability, extortion and privacy breach notification costs
- Limitation of liability contracts
- Social engineering with no standard exclusions or sub-limits

Four policy wordings to cover the financial services sector



Our claims highlights

– How we tackle challenges facing the industry



Industry-wide investigations

Instead of focusing on individuals within the industry, regulators are increasingly favouring a broader approach, looking into all members of a sector to find people running afoul of the rules.

The Hong Kong Securities & Futures Commission recently started prioritising the investigation of IPO-sponsor related failures, insider dealing and market manipulations. After the 1Malaysia Development Berhad events, the Monetary Authority of Singapore conducted the most extensive anti-money laundering review the country has ever seen.



Our solution

We have seen investigations start as an industry-wide exercise, before focusing on specific organisations or people we insure. In our refreshed policy wordings, such industry-wide actions could be encompassed within Professional Inquiry and Management Inquiry. Given our experience, we offer comprehensive solutions for investigations and self-reporting.



Fines and penalties

Following a series of scandals, regulators are facing more and more public pressure to impose heavier fines and penalties. Just recently, the competition watchdog in Singapore handed down fines to ten financial advisory firms for infringing the Competition Act. The Singapore Exchange has also taken action against traders, and in 2017 alone, the Hong Kong Securities & Futures Commission tallied up US\$64 million in fines.



Our solution

If you are insured with us, we can provide fines and pecuniary penalties cover for contraventions of statutory civil penalty provisions. If there is a good chance of reducing or avoiding the fine or penalty, we will also fund your statutory defence costs.



Cyber threats

Cyber threats are on the rise. In fact, cybersecurity became a top priority for the U.S. Securities and Exchange Commission after it found at least 74% of investment advisors had been targeted. Asia is no stranger to cyber threats. In 2016, hackers attacked Bangladesh Central Bank using their SWIFT credentials to instruct US\$1 billion of payment transfers.



Our solution

Our refreshed policies offer an optional extension that provides cover for cyber liability. This is an extension that includes cyber fines and penalties, extortion demands and privacy breach notification costs.



Social engineering fraud

Social engineering fraud happens when fraudsters take on the identity of a client or vendor with the aim of misleading you into transferring money to them. This is an increasing concern and costly issue for anyone in the financial services sector – and fraudsters have already swindled millions of dollars in Hong Kong, Thailand and other parts of the world.



Our solution

When it comes to social engineering fraud protection, our cover is one of the most comprehensive in the market. It features no standard exclusions or sub-limits.

Why choose us?

We've been writing financial lines of business in Asia for more than 15 years

At Liberty Specialty Markets, we know that the financial services sector is exposed to litigation risk from regulators, clients and competitors. Experience tells us that this is driven by media interest and often rises during times of economic recession.

The good news? Our team of experienced underwriters can help you stay ahead of the curve. When it comes to claims, we turn complex financial services litigation into quick and simple solutions.

As part of Liberty Mutual, a Fortune 100 company, we are backed by 100 years of experience and a truly global reach. Plus, the relationships we build are as real and lasting as the covers we offer.

Contact an underwriter

To talk to a specialist financial lines underwriter please call:

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