

Bank D&O / Mgt. Liability Insurance In 3-Minutes

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Fee-Only, Unbiased Insurance
Consulting**

Management Liability Insurance

D&O Is A Part Of Management Liability

Hi I'm Scott Simmonds... I'm an insurance consultant. I don't sell insurance and never accept fees or commissions from the insurance agents or insurance companies I work with for my clients. Let's talk about bank insurance.

This video covers management liability insurance, one of the four sections of bank insurance. The other sections are the financial institution fraud bond, standard lines of coverage, and lender asset protection insurance. See the separate videos on each of these areas of bank insurance.

Let's clear one thing up right away. The directors' and officers' insurance policy is a part of management liability. While you may hear management liability insurance called D&O insurance, directors' and officers' is but a part of the insurance coverage in the management liability policy.

Management Liability Insurance

So management liability protects the bank from lawsuits from management decisions and wrongful acts. The coverage includes D&O, employment practices liability, lender liability, bankers' professional, fiduciary liability, trust liability, and cyber liability coverage. I'll go over the coverage included in each section.

D&O Insurance

Directors' and officers' insurance protects the individual directors and officers from lawsuits caused by their actions and decisions. Lawsuits can come from stockholders, regulators, customers, and community members. In most cases the bank indemnifies the directors and the D&O policy reimburses the losses to the bank.

Employment Practices Liability Insurance

The employment practices liability section of the policy covers lawsuits that come from employment decisions - wrongful termination, discrimination, failure to hire, and harassment are some of the claims that can come up.

**Bankers Professional Liab.
&
Lender Liability Insurance**

Bankers' professional liability is the malpractice coverage of the banking world. This section protects against lawsuits by customers and others who allege improper lending and banking decisions.

**Trust Liability
Insurance**

Trust liability is professional liability for your trust department.

**Cyber Liability
Insurance**

Cyber liability is coverage for lawsuits involving your computer system and customer data. Hackers block access to funds, resulting in a loss to your customer. Data is stolen and a data breach occurs. Coverage can be included for data breach mitigation expenses, too. Most banks should have \$500,000 of data mitigation expense coverage.

Fiduciary Liability Insurance

Fiduciary liability coverage protects your bank from lawsuits alleging ERISA violations in the administration of your employee benefit plan.

Management Liability Insurance

In three minutes that's bank management liability insurance.

Bank Insurance Consulting

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Most banks start their work with me in an unbiased review of their insurance. Simple and straightforward. You send me your policies, and I report the issues and concerns. We then work through the mitigation of the issues. Unbiased insurance help and advice for banks.

I'm glad to talk about your bank and your insurance. Call or email me.

