

Berkley Life Sciences, an industry leader in providing insurance solutions for life science companies, has created **LS Prime[®] Corporate Safeguard**, a suite of management liability insurance products tailored to meet the unique and multi-faceted needs of life science companies and their innovative leaders.

This new insurance product is designed to respond to critical life science industry risk factors, thereby ensuring that executives of life science companies can focus on science, rather than the cost of responding to regulatory, shareholder and other legal challenges. Features and benefits available through LS Prime[®] Corporate Safeguard include:

| Features | Benefits |
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| First Response Costs | <ul style="list-style-type: none"> • Triggered by an investigation. • Includes reasonable and necessary costs to advise the insured entity or insured person in preparing and implementing a response to an investigation. • Broad definition of covered investigations includes verbal as well as written communications by governmental authorities such as requests for information, documentation, an interview or a meeting. • No need to wait for a formal “claim” to be asserted: policy responds at the critical investigation stage where insurance protection is most needed. • Responds to life science specific as well as general investigations: definition of investigation includes (but is not limited to) a subpoena; a Wells Notice; a “target letter”; a Section 305 Notice under the Food, Drug and Cosmetic Act; and the investigation of a suspended clinical trial due to death or other serious adverse events. • Includes entity cover on a codefendant basis. • In the event of a conflict of interest arising from an investigation, separate counsel for insureds can be approved. • Payment of the investigation deductible reduces the deductible for a resulting claim. |
| FCPA Investigation Coverage | <ul style="list-style-type: none"> • Includes costs of investigation, defense, and civil penalties (Section 2(g)(2)(B) of the FCPA) arising from an FCPA investigation. • Standalone coverage for entity and insured persons. • Coverage for employees and third party indemnitees on a codefendant basis (many FCPA investigations are initiated because of actions of sales staff or third party contractors, not directors or officers). |
| FCPA and Corrupt Practices Self-Reporting Coverage | <ul style="list-style-type: none"> • Reimbursement of first response costs incurred by the insured entity in connection with the voluntary self-reporting of a corrupt practices violation to a governmental authority. • First response costs include fees paid to attorneys, investigators, outside auditors, data management vendors, translation providers, financial advisors and other expert fees incurred to assist in voluntarily self-reporting a corrupt practices violation. |
| Extradition and Release Expense | <ul style="list-style-type: none"> • Responds in the event of an extradition proceeding and also when release from confinement overseas is required. • Covers all reasonable and necessary expenses — not just defense costs. • Potentially critical coverage for a life science executive if operations lead to bodily injury or death of patients. |
| Insured Person Tax Liability | <ul style="list-style-type: none"> • Covers the defense costs and damages from an individual's tax liability arising from the unpaid tax liability of the corporation. |
| Derivative Demand investigation Coverage | <ul style="list-style-type: none"> • Covers the cost to investigate a derivative demand brought by any security holder up to \$250,000. |
| Abatement Cost Reimbursement | <ul style="list-style-type: none"> • Enables life science companies to proactively and assertively protect their intellectual property and corporate assets. • Cover extends to defense costs for invalid patent counterclaims. |

Products and services are provided by one or more insurance company subsidiaries of W. R. Berkley Corporation. Not all products and services are available in every jurisdiction. Certain coverages may be provided through surplus lines insurance company subsidiaries of W. R. Berkley Corporation through licensed surplus lines brokers. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. In California, Berkley Life Sciences conducts business as Berkley LS Insurance Solutions, LLC, a licensed surplus lines broker (License Number 0H44165).

Any reference to insurance is descriptive and presented for discussion purposes only. Coverage afforded under any insurance policy issued is subject to the individual terms and conditions of that policy as issued. Claims scenarios are hypothetical in nature and for illustrative purposes.

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| Responsible Corporate Officer Liability | <ul style="list-style-type: none"> In response to the increasing application of the Responsible Corporate Officer (Park) Doctrine, there is affirmative coverage for the liability of directors and officers, even if they have not committed - or even had personal knowledge of - a wrongful act. |
| Manslaughter Coverage | <ul style="list-style-type: none"> Investigation and defense costs from a manslaughter violation is critical coverage for a life science company, especially one involved in pharmaceuticals, medical devices or clinical trials. |
| Dedicated Side-A Coverage with Additional Limit | <ul style="list-style-type: none"> Important supplementary coverage grant for individuals to ensure they have access to additional limits for subsequent, unrelated covered claims. |
| Full Severability of Application for Insured Persons | <ul style="list-style-type: none"> Impact of coverage restrictions is limited to the insured person's individual knowledge. |
| Non-rescindable Wording | <ul style="list-style-type: none"> Protects insured persons from misrepresentations by other insureds. |
| Claims Cooperation Severability | <ul style="list-style-type: none"> Failure to cooperate from one individual does not negate cover for others. |
| Predetermined Run-off Coverage in the Event of a Transaction | <ul style="list-style-type: none"> Guarantees run-off coverage at a predetermined price. |
| Most Favorable Venue for Punitive Damages | <ul style="list-style-type: none"> Broadens coverage for punitive damages where insurable to the broadest extent permissible. |
| Side-A and Shareholder Derivative Carve Out for Pollution Exclusion | <ul style="list-style-type: none"> Additional cover arising from pollution events. |
| Favorable Late Notice Provisions | <ul style="list-style-type: none"> Failure to provide prompt notice does not automatically preclude coverage absent prejudice. Helps protect insured against inadvertent failure to report. |
| Advancement of Coverage if Indemnification is not forthcoming | <ul style="list-style-type: none"> Additional protection for individuals when the company is not able, or is unwilling, to pay defense costs. |
| Broad Definition of Insured Person | <ul style="list-style-type: none"> Coverage extends to an institution or independent review board members, ethics committees, scientific advisory boards, or FDA advisory boards. |
| Final Non-appealable Standard for Conduct Exclusions | <ul style="list-style-type: none"> Provides defense coverage for fraud allegations until liability is finally determined and non-appealable. |
| "For" BI/PD Exclusion | <ul style="list-style-type: none"> Critical enhancement for life science companies that are inherently exposed to claims arising from bodily injury due to the nature of their products. |
| "For" Professional Services Exclusion | <ul style="list-style-type: none"> Carve out for "failure to manage or supervise". Narrows the scope and applicability of standard exclusions to select circumstances providing broader coverage. |
| Narrow Breach of Contract Exclusion | <ul style="list-style-type: none"> Only applies to the entity and not insured persons. |
| Additional carve outs for Insured v. Insured Exclusion | <ul style="list-style-type: none"> Narrows scope of exclusion to provide additional protection for insureds. |
| EPLI Coverage is Available if D&O is Purchased | <ul style="list-style-type: none"> Third party liability is available. Fair Labor Standards Act defense cost sublimit is available. |
| Fiduciary Liability Coverage is Available if D&O is Purchased | <ul style="list-style-type: none"> Broadly written to address the most recent relevant legislative changes. |

Do you have questions?

Contact the Berkley Life Sciences Management Liability Team

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