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D&O Claims Update: Calm or Stormy Seas?

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Uncharted Waters

- Large number of mega cases
- Many companies in financial distress / bankruptcy
- Government intervention
- Insurer turmoil
- Bifurcated D&O insurance market

D&O Claims Developments

- Subprime / credit crisis claims spreading
- Securities class actions
 - Early settlements
 - Motions for summary judgment successful
 - Stale new claims

Future D&O Exposures

- Misrepresenting poor financial performance
- Stock market rebound
- M&A
- Energy / utility industry factors
 - Nuclear
 - Alternative energy
 - Oil price volatility
 - Climate change

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Defense Cost Management

- Insurer initiatives
- Company involvement

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D&O Insurance Developments

- Side A enhancements migrating into ABC policies
- Insurance program restructuring
 - Excess policies follow narrowest underlying
 - Policy year placement disputes
 - Notice of circumstance perils
- Enterprise risk management