



CLAIM SCENARIOS

PRIVATE COMPANY - DIRECTORS & OFFICERS LIABILITY

\$335,000

Disgruntled shareholders of a technology company filed suit which sought the removal of the **directors & officers from their positions on the board of directors** for misconduct. Allegations included embezzlement, coercion, theft, and conspiracy to convert the business assets to their own benefit.

\$315,000

An investment firm purchased a chain of hotels from a privately held company. A short time later they re-sold the hotel chain at a significantly higher price. Shareholders sued the Insured alleging the board of directors **undervalued the company** resulting in a significant loss of shareholder investment value.

\$140,000

Students filed a **class action suit** against an Insured alleging the school's promotional material misrepresented the accreditation of one of the Insured's locations. Damages included expenses for additional classes and loss of income for class participants.

\$1,300,000

Allegations by unsecured creditors state that the board of directors **depleted the company assets** by paying dividends and salaries to the director & officers prior to the sale of a company that was financially insolvent.

\$75,000 defense costs only

A new property manager hired by the owner of an apartment building filed suit for failure to pay for services. The property owner failed to properly terminate the prior property manager's contract.

\$175,000 defense costs only

An Insured signed a long term lease to rent office space from the claimant. The owner of the building alleged when the Insured vacated the premises after 13 months and stopped paying the monthly lease payments.

\$1,700,000 defense costs only

A technology equipment company was sued by its lenders for various allegations including failing to secure clear title to equipment held by the company's recently acquired leasing division. This division allegedly provided forged title and lien information to a number of outside parties and lenders.

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