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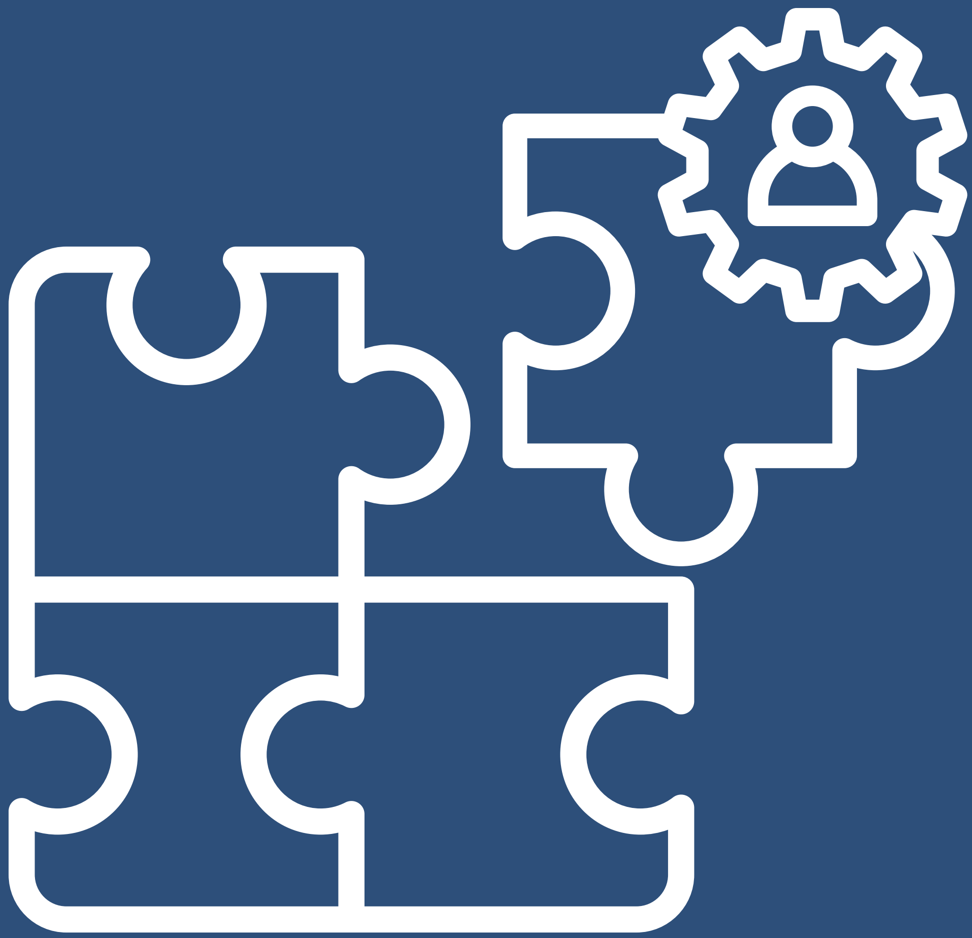

The D&O Gap Every PE/VC Firm Misses

Why fund-level cover doesn't always follow you onto the portfolio company board

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Side A Cover Isn't Always There

Side A protects you personally when the company can't indemnify you. For PE/VC Firms on portfolio company boards, that protection is often thinner than assumed.

Side A only triggers when indemnification fails

Many fund D&Os cap or sublimit Side A

Indemnification varies between portfolio companys

Insolvency removes the indemnity

When a portfolio company runs out of money, your personal exposure moves to the front of the queue.

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One Limit. Every Director.

A portfolio company D&O tower covers the company, its officers, and every director. One claim can erode the limit before it ever reaches you.

- All directors share the same tower
- Defence costs erode the limit
- Multi-defendant suits exhaust cover quickly
- Personal cover sits independently

Sharing a limit is fine until you're the last director still standing.

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Outside Directorship Isn't Automatic

Most fund-level D&O policies include outside directorship liability cover, but the wording is often narrower than the role you're actually playing.

- **Each board seat usually needs to be scheduled**
- **Outside Director Liability (ODL) often sits in excess of the portfolio company tower**
- **Some wordings exclude regulated or listed portfolio companies**
- **ODL rarely responds across foreign jurisdictions**

Assuming ODL is automatic is one of the most common gaps we see.

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Where the Real Exposure Sits

PE/VC Firms on portfolio company boards face the same liability as any other director, but with a different risk profile most policies were not designed to handle.

? When the portfolio company can't indemnify, who pays your defence?

? When the limit is exhausted by other defendants, what's left for you?

? When the seat falls outside ODL scheduling, are you covered?

These questions usually only get asked after the litigation starts.

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What Dedicated Personal D&O Solves

A dedicated personal D&O policy sits above and outside the fund and portfolio company towers, responding only to the named individual.

- **An independent limit no other defendant can erode**
- **Side A protection that responds when indemnification fails**
- **Coverage tailored to outside directorship roles**
- **Cross-border response across APAC**

It's the part of the coverage stack that exists specifically to protect you.

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Your Personal D&O Should Match Your Personal Exposure

PE/VC Firms spend years building portfolios. The personal liability of sitting on portfolio company boards rarely gets the same level of attention.

A dedicated personal D&O policy is the part of the coverage stack that exists specifically to protect you.
If you're sitting on portfolio company boards across APAC and haven't reviewed your personal D&O, we can help you do that before it matters.

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