

AmTrust offers a single-policy solution with a cost-competitive Professional Liability Coverage that is specifically tailored to meet the needs of community based financial institutions.



Lender Liability

Covers the Insured for Loss resulting from Claims due to errors, omissions, misstatements, neglect or breach of duty involving extensions of credit, loan servicing, or incidental insurance services related to the issuance of a loan. Lender Liability covers suits brought by borrowers or guarantors. "Broad Form" coverage extends to suits brought by other persons or entities that may be damaged as a result of the lending or foreclosure process.

Professional Services Liability

Covers the Insured for Loss resulting from Claims due to errors, omissions, misstatements, neglect or breach of duty involving Professional Services provided to or on behalf of a customer. Expanded coverage for suits brought by other persons or entities that may be affected is provided under Company Liability Coverage.

Trust Services Liability

Covers the Insured for Loss resulting from Claims due to errors, omissions, misstatements, neglect or breach of duty while providing Trust Services to a customer of the Company.

Other Provisions

- **Lender Liability** encompasses any agreement or refusal to extend any loan, lease or extension of credit to a customer including foreclosure, restructuring or termination of the loan agreement. Loan Servicing is also covered if the bank retains an

ownership interest in the loan. Loan Servicing for a third party is covered under Professional Services Liability.

- **Professional Services Liability** coverage includes, brokerage services, insurance services, depository services and any other service provided for a fee.
- **Trust Services Liability** includes, but is not limited to the Insured acting as administrator, custodian or trustee of personal or corporate trust accounts.

Available Enhancements

Standard policy enhancements:

- Choice of defense counsel
- Choice of separate or shared limit
- No Consent to Settlement provision
- Broad Claim definition
- 90 days automatic coverage for new Professional Services

Available to qualified applicants:

- 12 month non-cancellation clause
- Multi-year term at discounted rate
- Full past acts coverage (no retro date)
- "Broad Form" Lender Liability
- No Insider Loan Exclusion

AmTrust Financial Institution Advantage

- Currently insuring over 700 banks
- Coverage available in all states except NY
- Financial Institution industry expertise
- Underwriting strength
- Innovative product solutions

Claims Examples

Lender Liability

A loan officer indicates to a borrower that the bank will fund the borrower's loan request. The borrower relies on this commitment (and the loan officer's apparent authority to make the commitment) and plans his business accordingly. The loan is subsequently not approved, leaving the borrower with no resources to take advantage of business opportunities that were based on the funding commitment. The borrower sues the loan officer who made the funding commitment.

Professional Services Liability

The financial institution acts as depository for ACH transactions of a larger institution. An Employee transposes numbers on two merchant accounts, causing ACH credits to be erroneously deposited into the wrong account. When the error is discovered, the funds have already been withdrawn by the business that received it and the entity refuses to return the overage. The customer that incurs the loss sues the financial institution.

Trust Services Liability

The trustee of a testamentary trust fails to obtain personal property from the executor of an estate as soon as the terms of the will and the probate law permit. The executor misappropriates the assets. The trustee is held liable to the beneficiaries for this loss due to the delay in obtaining possession of the trust property.



AmTrust North America
An AmTrust Financial Company

