

Employment Practices and Fiduciary Liability

- Up to 500 employees (part time and seasonal count as half an employee; applicant must have a minimum of three employees to be eligible)
- Eligible classes include, but are not limited to:



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|---|---------------------------------|---|--------------------------------------|------------------------------------|
| Accounting firm | Car wash | Credit operation* | Insurance agent (not USLI appointed) | Recreation/Membership organization |
| Advertising firm | Caterer | Day care center (commercial) | Insurance company* | Restaurant (fast food)† |
| Air/Heat contractor | Cemetery/Funeral home | Doctor/Dentist* | Landscaper | Retail store |
| Ambulance service* | Condo/Homeowner associations | Drug rehab center (outpatient only) | Law firm (maximum of 50 employees) | Sales/Distributor |
| Architect | Consultant | Employment agency | Maintenance/Janitorial | Security guard firm* |
| Artisan contractor | Convenience store | Engineer | Nursing home/Assisted living* | School |
| Auto dealer* (maximum of 200 employees) | Counseling center | Fitness center | Plumber | Technology |
| Bank-US owned* | Country club (private) | Grocery store/ Supermarket | Printer/Publisher | Transportation/Trucking |
| Bowling lane | Country club (public/municipal) | Hair salon | Property manager | Travel agent |
| Camp | Campground | Hotel/Motel owner (minimum of 10 employees) | Real estate agency* | Veterinary clinic |

*Not eligible for third-party coverage option

†Ineligible for Fiduciary

PRODUCT ADVANTAGES

- Fair Labor Standards Act (FLSA): \$100,000 sub-limit for defense costs and loss (available to most accounts in most jurisdictions; Florida risks eligible for defense-costs coverage only)
- Ability to package Fiduciary Liability coverage with Employment Practices Liability or stand-alone
- Workplace Violence and Kidnap Expense sublimit (subject to class eligibility)
- Immigration Expense sublimit (subject to jurisdiction and class eligibility)
- Third Party Liability coverage automatically included in most EPL coverage forms (subject to class eligibility)
- Defense and Settlement Provision (“hammer clause”) softened to cover 80% of defense costs and loss after insured’s final refusal to consent to settle a claim
- Defense outside the limit up to 200 employees if a \$500,000 limit or higher is purchased (does not apply to violations of FLSA)
- Lifetime Occurrence Reporting Provision (Directors/Officers only)
- Timely Notice and Resolution incentive
- Full prior acts coverage for claims-free accounts in most states and for most classes
- Punitive damages with most favorable venue wording included in the definition of loss (available in most jurisdictions)
- Independent contractors included in the definition of employee
- Bodily Injury/Property Damage exclusion carve back
- Defense costs coverage for breach of express employment contract and claims involving modification of real property
- Flexible retention options
- Retaliation carve backs for many exclusions



PRODUCT ADVANTAGES (CONT.)

- ▶ Fiduciary Liability
 - Coverage for civil penalties under section 502 (i) and 502 (l) of ERISA and civil penalties under HIPAA's privacy laws
 - Voluntary Settlement Program coverage: \$150,000 sublimit for voluntary settlement program costs and defense costs
 - Optional Settlor coverage available
 - Defense outside the limits for risks that purchase at least \$500,000 in coverage

AVAILABLE LIMITS

- ▶ Employment Practices Liability up to \$5 million
- ▶ Fair Labor Standards Act (FLSA) included at \$100,000 in most jurisdictions (defense and indemnity)
- ▶ Fiduciary Liability up to \$5 million
- ▶ Voluntary Settlement Program coverage: \$150,000 sublimit for voluntary settlement program costs and defense costs

RETENTIONS

- ▶ Employment Practices Liability retentions start at \$1,000 and vary by state, city and class
- ▶ Fiduciary Liability limits start at \$0 and vary by state, city, and class

MOST COMMON INELIGIBLE RISKS CHARACTERISTICS

- ▶ Over 500 employees
- ▶ More than two employment practices claims or circumstances in the last five years
- ▶ Applicants located in LA and WV
- ▶ The following classes of business:

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|------------------------|--|--|--|
| Adult entertainment | Construction company | Investment advisor | Repossession service |
| Agricultural/Farm | Courier service | Municipal (police and fire) | Restaurant (full service) |
| Aviation | Day care center (residential) | Pawn shop | Stock brokerage and S.E.C. firm |
| Bar/Tavern | Entertainment industry (radio, television, film) | Personal staff/Family trust | Talent agency (including social media influencer) |
| Cannabis industry | Foster care | Pension/Other ERISA plans | Taxi/Limousine service (including ride-sharing service) |
| Casino/Resort | Garment maker | Pharmaceutical company | Union |
| Coal mine | General contractor | Professional employer organization (PEO) | Venture capital management |
| College and university | Government agency | Public school/School district | Video game and social media developer (including eSports gaming) |
| Companion care service | Hospital | Publicly traded company | |

Contact your underwriter for more information at **888-523-5545** or visit **usli.com**.

This document does not amend, extend or alter the coverage afforded by the policy. For a complete understanding of any insurance you purchase, you must first read your policy, declaration page and any endorsements and discuss them with your agent. A sample policy is available from your agent. Your actual policy conditions may be amended by endorsement or affected by state laws. USLI companies are members of the Berkshire Hathaway family of companies and have an A++ Superior rating for financial stability from AM Best. The insuring company names are United States Liability Insurance Company, Mount Vernon Fire Insurance Company, and U.S. Underwriters Insurance Company.



10/24



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