



PRODUCT HIGHLIGHTS

PRIVATE COMPANY PROTECTION PLUS

Benefits of this Program

Philadelphia Insurance Companies' (PHLY) Private Company Protection Plus program was created to meet the comprehensive needs of privately held companies. Coverage includes Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability, and Crime.

Key Benefits

- Flexible limit options available starting at \$500,000. Coverage limits can be purchased on an individual or shared limit basis
- Optional selection of counsel - Insured may choose defense counsel or tender the defense to the Underwriter
- Defense Costs for claims seeking non-monetary relief
- Most favorable venue wording for punitive, multiple, and exemplary damages
- Modified consent to settle clause – 85%/15% with a 10% retention reduction for acceptance of first settlement offer
- Broad definition of Claim includes: arbitration, mediation, regulatory and administrative proceedings, EEOC & DOL investigations, extradition, subpoena and requests to toll the statute of limitations
- Bilateral discovery (extended reporting period) for one (1), two (2), and three (3) year terms
- Creditor committee and debtor-in-possession included as an Insured
- Definition of application limited to 12 months of materials
- 40% asset acquisition threshold for new subsidiaries
- 90 Day Notice/Claim Reporting provision with knowledge limited to CEO, Chairperson of the Board, CFO or General Counsel
- Worldwide coverage territory and valuation clause
- Employment Risk Management Services available via in2vate
- Loss assistance hotline - two (2) free hours of legal consultation
- All coverages are also available on a standalone basis

Directors & Officers Liability

- Full severability for Individual Insureds; enhanced for the entity by naming Executive Officers
- Final and non-appealable judgment or adjudication in the underlying action language
- Former officer (1 Year) carve-back and whistleblower carvebacks within Insured vs. Insured exclusion
- Order of payments with priority placed on indemnifying Individual Insureds
- Definition of Individual Insured broadened to include Advisory Board Members, Foreign Equivalent and Lawful Spouses/Domestic Partners
- IPO exclusion includes carveback for failure to undertake or complete public offering
- Automatic Outside Directorship Liability (ODL) coverage for broadly defined not-for-profit entities
- Securityholder Derivative Demand Evaluation Coverage (\$500,000)
- Additional Side-A Coverage (\$1,000,000)

Employment Practices Liability

- Comprehensive 24 point definition of Employment Practices Act which includes: violation of employment discrimination laws, retaliation, wrongful discipline, constructive discharge, sexual or workplace harassment of any kind, and more
- Extends coverage for harassment, discrimination, and other employment-related claims by employees on the Internet (on or off the job)
- Definition of employee can include full-time, part-time, seasonal, leased, temporary, volunteers and independent contractors
- Broad definition of Third Party Liability coverage
- Other Insurance Clause – Primary Language
- "For" wording applied to bodily injury/property damage exclusion, with employment claim carve-back

Fiduciary Liability

- Definition of Fiduciary Liability Act to include status provision and settler extension
- Omnibus Welfare Plan coverage
- Broad definition of Loss includes: civil fines or penalties imposed under Section 502 (i), HIPAA, PPA, PPACA, and the 15% or less tax penalty imposed under Section 4975 (\$250,000)
- Coverage for IRS voluntary settlement program claims (\$250,000)
- Defense coverage for Managed Care claims (\$250,000)

Bell Endorsement

- Includes \$50,000 limits each for Business Travel Accident Benefit, Donation Assurance, Emergency Real Estate Consulting Fee, Identity Theft Expense, Image Restoration and Counseling, Key Individual Replacement Expenses, Kidnap Expense, Terrorism Travel Reimbursement, and Workplace Violence Counseling. \$25,000 limits for each Conference Cancellation, Fundraising Event Blackout, Political Unrest (\$5,000 per employee), Temporary Meeting Space Reimbursement, and \$1,500 Travel Delay Reimbursement

Crisis Management Enhancement Endorsement

- \$25,000 limit for crisis management emergency response expenses incurred because of an incident giving rise to a "crisis"

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PRIVATE COMPANY PROTECTION PLUS - *continued*

Documents Required for Proposal

- Completed, signed and dated Private Company Protection Plus application
- Latest annual CPA prepared financial statement (required for D&O Coverage, may be waived for EPL coverage with less than 200 employees)
- Copy of private placement memorandum, if applicable
- Supplemental claim form, if applicable
- Form 5500 and plan audits (if Fiduciary Liability coverage is requested)

Service

- Clients are serviced by both our Home Office staff as well as our Regional Offices located throughout the country

Carrier

- These coverages are underwritten by Philadelphia Insurance Companies, rated A++ (Superior) by A.M. Best; Nationally

recognized as a member of Ward's Top 50; Forbes Magazine has recognized PHLI as one of the 400 Best Big Companies in America

Payment Terms

- Installments available for accounts that generate at least \$2,000 in premium

For more information about our products and services, please visit us at PHLY.co

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