



PRIVATE COMPANY PROTECTION PLUS

Private Company Directors and Officers Liability

WHY PHLI?

- 20+ years of operating experience in the Management and Professional Liability market with superior service and coverage
- Superior financial strength from A.M. Best (A++ XV) and Standard & Poor's (A+)
- Dedicated team with over 100 underwriters & claims professionals located across 13 Regional Offices
- A multi-line policy designed for private companies of all sizes providing risk transfer solutions
- Available coverages include Directors & Officers, Employment Practices, and Fiduciary Liability

TARGET CLASSES

- Manufacturer
- Medical Office/Physicians Group
- Oil & Gas Company
- Retail Business
- Service Company
- Wholesaler
- Many more!

Directors & Officers Liability

- Full severability for Individual Insureds; enhanced for the entity by naming Executive Officers
- Former officer carve-back within Insured vs. Insured exclusion
- Shareholder derivative claims carve-back not subject to a sublimit
- Automatic Outside Directorship Liability (ODL) coverage for 501(c)(3) organizations

Fiduciary Liability

- Automatic coverage for all Welfare Benefit Plans sponsored by the Insured
- Includes actual or alleged HIPAA violations in the administration of any Benefit Plan
- Coverage for damages under ERISA sections 502(i) and 502(l)
- Coverage for IRS voluntary settlement program claims

PROHIBITED CLASSES

- Airline/Aviation Entity
- Automobile Dealership
- Casino
- Financial Institution
- Government Entity
- Law Firm
- Nursing Home

Employment Practices Liability

- Broad definition of Employment Practices Act which includes:
 - Violation of employment discrimination laws
 - Retaliation
 - Wrongful discipline
 - Constructive discharge
 - Sexual or workplace harassment of any kind
 - Many more!
- Third Party Liability coverage
- Definition of Individual Insured includes leased employees
- Independent Contractors coverage available
- A triple aggregate retention available for eligible Insureds
- Broad definition of Claim includes:
 - Arbitration
 - Regulatory & administrative proceedings
 - EEOC and DOL investigations
 - Requests to toll the statute of limitations



CLAIM SCENARIOS

\$500,000 Failure of Due Diligence - D&O

An investment firm purchased a hotel from a privately held company. The investment firm re-sold the hotel quickly for a much higher price; shareholders of the private company sued, alleging that the board of directors did not do their due diligence in the original sale.

\$450,000 Competitor Dispute - D&O

A firm hired the employee of a competitor. The competitor sued alleging misappropriation of trade secrets and unfair competition.

\$150,000 Retaliation - EPL

An assistant to the CFO was terminated for divulging information about impending layoffs at the company. The assistant brought suit for retaliation and sexual harassment claiming the CFO always made suggestive comments to her.

\$540,000 Age Discrimination - EPL

A 62 year old sales representative was terminated for failing to meet his sales quota. Despite layoffs and cutbacks, there was no documentation showing the plaintiff was a poor performer. The sales rep. sued alleging he was fired because of his age.

\$100,000 Failure to Enroll - Fiduciary

An employee purchased disability coverage at work and the premium was deducted from his paycheck. When the employee became disabled, he was told by the disability carrier that they had no record of his enrollment. He sued his employer for breach of fiduciary duty seeking the cash equivalent of past and future disability benefits plus attorney fees.

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KEY FEATURES

- Limits available up to \$15M for select risks
- Available coverages include Directors & Officers, Employment Practices, and Fiduciary Liability
- Coverages are available on a stand-alone or shared limit basis
- Defense Costs in addition to the Limit of Liability available for eligible risks
- Most favorable venue wording for punitive, multiple or exemplary damages
- Worldwide coverage territory and valuation clause
- Availability of complementary coverages to provide broader risk management solutions including Employed Lawyers Liability, Crime, and Cyber Liability
- Quick turnaround times for proposals and policy issuance

SUBMISSION REQUIREMENTS

- Completed application
- Most recent financial statement/audit, if Directors & Officers coverage sought or Employment Practices monoline with more than 200 employees
- Complete loss history for the past five (5) years
- Form 5500 and plan financial statements, if Fiduciary Liability coverage is requested
- Supplemental claim form, if applicable

RISK MANAGEMENT SERVICES

Risk Management Hotline

- PHLI has partnered with Wilson Elser, a nationally-recognized law firm, to offer a Risk Management Hotline
- Available to all PHLI Management and Professional Liability Division insureds
- Provides policyholders with two free hours of legal consultation with knowledgeable attorneys on any matter that could potentially result in a claim under a PHLI policy

Employment Liability Risk Management Services

- PHLI has partnered with in2vate to offer web-enabled Employment Practices Liability (EPLI) risk management services
- Provides training and management tools
- Courses provided: Abuse Prevention, Sexual Harassment, Discrimination, Smart Hiring, and MORE!

ABOUT US

Company Profile

Philadelphia Insurance Companies (PHLY) headquartered in Bala Cynwyd, PA, designs, markets, and underwrites commercial property/casualty and professional liability insurance products, incorporating value-added coverages and services for select industries. By maintaining a disciplined approach to business, we provide greater security for our policyholders and superior value for our shareholder. PHLY has field offices strategically located across the United States to provide superior service. Rated "A++" (Superior) by A.M. Best Company. Rated "A+" by Standard & Poor's. PHLY is a member of the Tokio Marine Group, Japan's oldest and leading property/casualty insurer.

PHLY has three underwriting divisions:

Commercial Lines | Management & Professional Liability | Personal Lines

A.M. Best Rating

The Company's two insurance subsidiaries are pooled for risk assumption and accumulated surplus. AM Best Company has assigned the insurance subsidiaries an "A++" (Superior) rating.

Standard & Poor's

Assigned "A+" for counterpart credit and financial strength.

Ward's 50®

Nationally recognized as a member of Ward's 50 Benchmark Group of Property/Casualty insurance companies for outstanding achievement in the areas of financial strength, claims performance, and consistently favorable underwriting results.

CONTACT US: 800.873.4552 | **PHLY.com**

RISK MANAGEMENT SERVICES: 800.873.4552

CLAIMS REPORTING: 800.765.9749

800.685.9238 Fax | E-mail: claimsreport@phly.com

Gather facts, mitigate loss, inventory damage

PAYMENT OPTIONS: 877.438.7459

E-mail: service@phly.com | Direct billed |

MasterCard, Visa, Discover, American Express, electronic checks



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INSURANCE COMPANIES

A Member of the Tokio Marine Group



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To Be a *Good Company*

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