

PRIVATE CHOICE PREMIERSM – FIDUCIARY LIABILITY INSURANCE

Find out why fiduciary liability insurance is a must if you're providing employee benefits.



In 1963, the closing of the Studebaker automobile plant impacted thousands of plant employees and set the stage for the Employment Retirement Income Security Act (ERISA) of 1974.¹ This federal law establishes minimum standards for employee benefit plans of private industry and liability for plan fiduciaries found responsible for a breach of fiduciary duties.

Current economic conditions have led many private companies to take a closer look at their long-term pension expenses. Under ERISA, employers must make these decisions with the interest of the participants and beneficiaries of those plans in mind. These decisions can often leave employers open to claims alleging the breach of fiduciary duties, putting the assets of plan fiduciaries at risk.

THE HARTFORD CAN HELP PROTECT YOUR BUSINESS AND PERSONAL ASSETS FROM FIDUCIARY-RELATED CLAIMS

Having fiduciary liability insurance is more important than ever:

- Complex ERISA violations may not be covered under other insurance, like employee benefits liability (EBL) or directors, officers & entity liability insurance policies.
- ERISA gives participants the right to sue for benefits and breaches of fiduciary duty. Improper handling of welfare or benefit plans can be costly – even personal assets may be at risk. Fiduciary liability insurance can help mitigate this risk so you can focus on your business.

DECIDE IF FIDUCIARY LIABILITY INSURANCE IS RIGHT FOR YOU

	YES	NO
1. Does your company provide any of the following welfare or benefit plans for your employees? <ul style="list-style-type: none"> • Health insurance plans • Unemployment insurance benefits • 401(k) or other self-directed retirement plan • Traditional (defined benefit) pension plan • Stock option or preferred executive compensation plans 	<input type="checkbox"/>	<input type="checkbox"/>
2. Does your company administer any of these plans in-house, including clerical work or paperwork to enroll employees in these plans?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has your company's 401(k) plan ever decreased in value due to a drop in the stock market?	<input type="checkbox"/>	<input type="checkbox"/>
4. In selecting an outside investment adviser to administer your pension benefit plan(s), did you choose an adviser without seeking professional advice, ratings or recommendations?	<input type="checkbox"/>	<input type="checkbox"/>

If you answered "yes" to two or more of these questions, then fiduciary liability insurance from The Hartford is the right choice for your business.



THE HARTFORD DIFFERENCE - SEE HOW OUR FIDUCIARY LIABILITY COVERAGE STACKS UP

Our enhanced coverage is aligned with emerging issues fiduciaries face:

- Coverage for certain ERISA and UK Pension Act penalties.
- Definition of “claim” includes investigations by the Department of Labor or the Pension Benefit Guaranty Corporation.
- Coverage available for certain civil penalties imposed under HIPAA.
- Waiver of retention provision – claims resolved with a finding of no liability to the insured.
- No “hammer” clause when defense expenses are within the limit of liability. May vary by state.
- An available extension of coverage for certain qualified ESOP (Employee Stock Ownership Programs). Additional premium and some restrictions may apply.
- IRS voluntary settlement program coverage available (\$100,000 sublimit; higher sublimits may be available in certain states).
- Coverage for certain civil penalties and fines under the Patient Protection and Affordable Care Act (PPACA) and the Pension Protection Act of 2006 (PPA).



WHAT'S COVERED?

The Hartford offers fiduciary liability insurance that provides:

- Coverage for errors in counseling; providing interpretations; handling records; or affecting enrollment, termination or cancellation of employees, participants or beneficiaries under an insured plan.
- Allegations of mismanagement, breach of duty and neglect and violations of ERISA.

TOP CARRIER YOU CAN RELY ON

- Long history in the management and professional liability insurance market.
- Experienced team of underwriters and managers located across the country in regional offices of The Hartford.
- 200+ years delivering on our promises to pay claims.
- Dedicated claims staff widely recognized for superior customer service.
- Specialized risk engineering services.

LEARN MORE. Contact your agent from The Hartford today or visit us at thehartford.com/premier.

¹ sutkowskiandrhoads.com/erisa/erisa/faq/q/origin_of_erisa

This document outlines in general terms the coverages that may be afforded under a policy from The Hartford. All policies must be examined carefully to determine suitability for your needs and to identify any exclusions, limitations or any other terms and conditions that may specifically affect coverage. In the event of a conflict, the terms and conditions of the policy prevail. All coverages described in this document may be offered by one or more of the property and casualty insurance company subsidiaries of The Hartford Financial Services Group, Inc. Coverage may not be available in all states or to all businesses. Possession of these materials by a

licensed insurance producer does not mean that such producer is an authorized agent of The Hartford. To ascertain such information, please contact your state Department of Insurance or The Hartford at 1-888-203-3823. All information and representations herein are as of October 2016.

In Texas, insurance is underwritten by Hartford Fire Insurance Company and Twin City Fire Insurance Company. In California, insurance is underwritten by Twin City Fire Insurance Company.

The Hartford® is The Hartford Financial Services Group, Inc. and its subsidiaries, including Hartford Fire Insurance Company. Its headquarters is in Hartford, CT.



THE HARTFORD

Business Insurance
Employee Benefits
Auto
Home