



Management Liability

Epac 3

Clear Solutions for Complex Management Liability Risks

Risk is complicated and unpredictable, especially for organizational leaders facing stresses that include new and increasingly complex exposures. Epac 3 is a first-of-its-kind, modular insurance policy for management liability risks, designed with unbridled simplicity in mind. Written in a clear, concise and conversational tone, Epac 3 is easier to understand because its compartmentalized coverage options work together, and don't overlap.

Epac 3 Market-Leading Features Include:

General Terms and Conditions

- Ability to offer shared or separate coverage part limits
- Pre-claim expense coverage
- Non-rescindable policy
- No "hammer" clause
- Customer-friendly reporting and notice provisions with prejudiced standard for late notice consideration
- Settlement/Consent clause does not require insurer consent if settlement is within the retention

Directors and Officers and Entity Liability Coverage

- Embedded limit options available for Side-A coverage for executives
- Shareholder Derivative Demand & Books and Records sublimit
- Broad definition of Insured Person, including directors, officers, employees, volunteers, advisory board members, shadow/de facto directors, members of management committees, trustee, governors, in-house general counsel, risk manager, and foreign equivalent roles
- Broad definition of Claim, including Inquiry coverage
- Streamlined insured vs. insured

Not-For-Profit Directors and Officers and Entity Liability Coverage

- Embedded limit options available for Side-A coverage for executives
- Excess benefit Transaction Taxes sublimit
- Crisis Event Expenses extension
- Coverage for volunteers
- Broad definition of Insured Person
- Broad definition of Claim

Employment Practices and Third Party Liability Coverage

- Includes diversity sensitivity training costs
- Coverage for a broad range of wrongful employment practices, including whistleblower activity, bullying, and invasion of privacy
- Settlement retention credits
- Broad definition of Loss

Fiduciary Liability Coverage

- Covered Penalties Section added addressing 502(c), Pension Protection Act, Section 4975 and Patient Protection and Affordable Care Act
- Voluntary Compliance Costs coverage for voluntary compliance resolution programs administered by the U.S. Internal Revenue Service, the U.S. Department of Labor, or any such equivalent foreign administrative or regulatory agency
- Expanded definition of Claim incorporating extradition, pre-claim investigation, internal appeal and fact-finding investigations
- Broad definition of wrongful act, including breach of fiduciary duties, errors or omission in administration, errors or omission in an insured's settlor capacity and addresses exposures presented in connection with purchase of insurance through a healthcare exchange

Crime Coverage

- Comprehensive proprietary form written on a loss-discovered basis with tailored insuring agreements
- Policy language ensures ERISA bonding requirements are met
- Dedicated coverage agreement to address social engineering fraud exposures
- Streamlined definition of employee addressing former employees for 90 days post-employment, former employees retained as consultants, independent contractors, students, volunteers and interns
- Options for computer restoration, record recovery costs, legal expense and proof-of-loss costs extensions

Kidnap, Ransom and Extortion Coverage

- Coverage for Kidnap and Extortion for Ransom, Detention, Hijack and Political Threat
- Insured includes employees, guests and relatives
- Coverage extensions available for business interruption, threat response, disappearance, travel evacuation and repatriation expenses
- Unlimited expense coverage for crisis response firm

Focused Support from a Management Liability Leader

- Dedicated CNA claim professionals understand the complexities of management liability claims, and the importance of addressing claims in a fair and efficient manner
- Epack 3 is written through CNA, a long-term provider of management liability solutions and an A-rated carrier

For more information, please contact your local underwriter or visit cna.com.